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THE DEPARTMENT OF STATE

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Diplomatic papers.

1919

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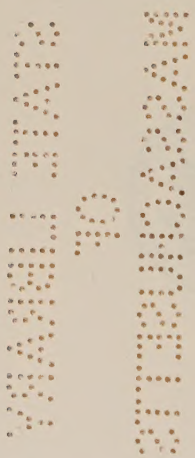

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Undated [Rec'd May 17] (9)	*From the Minister in Poland (tel.)* Inaccuracy of massacre reports; investigation of Pinsk massacre by committee of Poles and Jews appointed by Diet.	748
May 21 (9)	*To the Minister in Poland (tel.)* Instructions to rush report in view of wide discussion of disturbance by press and conflicting statements by Poles and Jews.	749
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May 28 (17)	*To the Minister in Poland (tel.)* Instructions to give investigation of attacks on Jews precedence over other matters.	750
May 30 (35)	*From the Minister in Poland (tel.)* Ascribing of attacks involving Jews to economic rather than political causes; denial of Jewish massacre at Vilna.	750
May 30 (36)	*From the Minister in Poland (tel.)* Request for details of pogroms; suggestion for committee of investigation.	751
May 31 (38)	*From the Minister in Poland (tel.)* Interview with Polish Chief of State regarding Jewish situation; official orders for protection of Jews.	752
May 31 (40)	*From the Minister in Poland (tel.)* Lieutenant Foster's report on Pinsk affair (text printed) indicating execution was anti-Bolshevik and not anti-Jewish act.	753
June 1 (41)	*From the Minister in Poland (tel.)* Report of Chenstokhov riots involving Jews, and restoration of order.	755
June 2 (44)	*From the Minister in Poland (tel.)* Observations upon questions affecting Jews in Poland, giving background of present disturbances and suggestions for solution of problems.	756

POLAND

Treatment of Jews in Poland—Continued

Date and number	Subject	Page
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June 3 (23)	*To the Minister in Poland (tel.)* Instructions to make personal investigation of alleged pogroms with assistance of Bogen and Bailey.	760
June 8 (55)	*From the Minister in Poland (tel.)* Likelihood of disorders; reasons for their probable anti-Jewish character.	760
June 10 (26)	*To the Minister in Poland (tel.)* Report in U.S. press regarding persecution of Jews at Vilna.	761
June 11 (62)	*From the Minister in Poland (tel.)* Further official investigation of Pinsk affair.	762
June 12 (63)	*From the Minister in Poland (tel.)* Foster's report of general riots in Cracow and restoration of order by military patrols.	762
June 14 (2563)	*From the Commission to Negotiate Peace (tel.)* From Lansing: Inquiry whether Department has issued press statement on Jewish situation in Poland.	763
June 15 (69)	*From the Minister in Poland (tel.)* Details of disorder at Vilna; exaggerated character of U.S. press report.	763
June 15 (75?)	*From the Minister in Poland (tel.)* General Haller's order (text printed) designed to stop persecution of Jews.	764
June 17 (2326)	*To the Commission to Negotiate Peace (tel.)* For Lansing: Efforts to postpone further action on Polish affairs pending receipt of report from Gibson, Bailey, and Bogen. (Instructions to repeat to Minister in Poland for information.)	764
June 17 (70)	*From the Minister in Poland (tel.)* Investigation by Gibson, Bailey, and Bogen of disturbance at Vilna and conclusions reached.	765
June 20 (32)	*To the Minister in Poland (tel.)* Inquiries as to concurrence of Bogen in conclusions reached regarding Vilna affair.	768
June 20	*From the Minister in Poland (tel.)* Attributing of excesses against Jews to abnormal conditions; efforts to improve public attitude toward Jews.	768
June 25	*From the Minister in Poland, Temporarily at Paris (tel.)* Affirmation of Bogen's concurrence in joint report on Vilna.	769
June 26	*To the Senate of the United States* Statement of investigations made prior to passage of and in response to Senate resolution of May 26, regarding reported outrages against Jews in Poland and Rumania.	769
June 28 (2456)	*To the Commission to Negotiate Peace (tel.)* Statements given to the press by Department (texts printed) regarding Jewish situation in Poland.	771

POLAND

Treatment of Jews in Poland—Continued

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July 2 (2923)	*From the Commission to Negotiate Peace (tel.)* From Lansing: Presidential appointment of commission headed by Morgenthau to investigate relations between Poles and Jews in Poland.	772
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Jan. 14	*To President Wilson* Reports of Morgenthau and other commissioners on investigation of Jewish situation in Poland (texts printed).	773

SALVADOR

Earthquake of April 28, 1919—Assistance of the American Red Cross

1919		
Apr. 28	*From the Chargé in Salvador (tel.)* Report of earthquake.	801
Apr. 28	*From the Chargé in Salvador (tel.)* Declaration of martial law as result of earthquake.	801
Apr. 29	*From the Chargé in Salvador (tel.)* Request for Red Cross tents.	801
Apr. 30	*To the Chargé in Salvador (tel.)* Expressions of sympathy and regret; notification to Red Cross of request for tents.	801
May 2	*To the Chargé in Guatemala (tel.)* Instructions to ascertain if tents are available for use of earthquake sufferers in Salvador.	802
May 2 (438)	*From the Chargé in Salvador* Account of destruction and destitution caused by earthquake, including damage to Legation.	802
May 9	*From the Chargé in Guatemala (tel.)* Report that tents in Guatemala are unfit for service.	803
May 9 (442)	*From the Chargé in Salvador* Assistance rendered earthquake sufferers.	804
May 23	*To the Chargé in Salvador (tel.)* Availability of tents in Canal Zone for Salvadoran use.	805
May 25	*From the Chargé in Salvador (tel.)* Arrangements for procurement, distribution, and care of tents from Canal Zone.	805

SPAIN

AGREEMENT BETWEEN THE UNITED STATES AND SPAIN EXTENDING THE DURATION OF THE ARBITRATION CONVENTION OF APRIL 20, 1908

Date and number	Subject	Page
1919 Jan. 29 (76)	*From the Spanish Ambassador* Proposal for renewal, for another term of 5 years, of arbitration convention between Spain and the United States.	806
Feb. 6	*To the Spanish Ambassador* Submission of draft agreement extending arbitration convention with request for Spanish equivalent.	806
Mar. 8	*Agreement between the United States and Spain* Text of agreement extending for another 5 years the arbitration convention of Apr. 20, 1908.	807

TURKEY

APPOINTMENT OF AN AMERICAN COMMISSIONER, NOVEMBER 30, 1918—REOPENING OF CONSULATES—APPOINTMENT OF A HIGH COMMISSIONER, AUGUST 12, 1919

1918 Nov. 30 (3435)	*To the Minister in Switzerland (tel.)* For Lewis Heck: Appointment as Commissioner at Constantinople; retention of direction of diplomatic affairs by Swedish Legation.	810
Dec. 27	*To the Secretary of the Navy* Information regarding appointment of Commissioner in Turkey, without renewal of diplomatic relations.	810
1919 Jan. 21 (2)	*To the Commissioner at Constantinople (tel.)* Instructions as to duties; assignment of Bristol as senior American naval officer.	810
Mar. 5	*To the Consul General at Nantes (tel.)* Appointment as consul general at Constantinople; instructions looking toward reestablishment of consular service in Turkey.	811
May 3 (90)	*To the Commissioner at Constantinople (tel.)* Instructions to assume title of Commissioner at Constantinople, succeeding Heck, in addition to duties as consul general.	812
Aug. 12 (2809)	*To the Commission to Negotiate Peace (tel.)* Admiral Bristol's appointment as High Commissioner at Constantinople, subject to State Department instructions in political matters.	812

TURKEY

Reopening of Trade, February 17, 1919

Date and number	Subject	Page
1919 Feb. 8 (7119)	*From the Ambassador in France (tel.)* McCormick to War Trade Board: Resolutions of Supreme Blockade Council regarding early abolition of trade restrictions in certain Near Eastern countries, including Turkey.	813
Feb. 13 (7188)	*From the Ambassador in France (tel.)* McCormick to War Trade Board: Supreme Economic Council's approval of immediate abolition of trade restrictions for certain Near Eastern countries, including Turkey.	814
Feb. 20 (7475)	*To the Ambassador in France (tel.)* For McFadden: Announcement in the United States of reopening of trade with Bulgaria, Turkey in Europe, certain Turkish territory in Asia, and all ports on Black Sea.	814

Termination of Court Actions Conflicting with the Capitulations

Feb. 8 (53)	*From the Commissioner at Constantinople (tel.)* Representations by Allied High Commissioners against abrogation of capitulations by Turkey; request for similar action by the United States.	814
Mar. 20 (1569)	*To the Minister in Sweden (tel.)* Instructions to request Government to transmit note (text printed) to Turkish Government concurring in action taken by Entente High Commissioners regarding abrogation of capitulations.	815
Nov. 7	*From the Consul General at Smyrna (tel.)* Postponement of court action in British, French, Italian, and Greek cases which conflict with capitulations; discrimination against U.S. citizens.	815
Dec. 13 (293)	*To the High Commissioner at Constantinople (tel.)* Instructions to take necessary steps to prevent discrimination against U.S. citizens in Turkish courts.	816
1920 Jan. 26 (67)	*From the High Commissioner at Constantinople (tel.)* Decision of Council of Ministers to extend to U.S. citizens treatment in judicial matters similar to that afforded British, French, and Italians.	816

Relief Work in Turkish Territories

1918 Nov. 20 (2920)	*To the Chargé in Great Britain (tel.)* Inquiry concerning possible objection to proposed relief measures of American Committee on Armenian and Syrian Relief for oppressed nationalities of Turkish Empire. (Instructions to repeat, *mutatis mutandis*, to Paris.)	817
Nov. 29 (6069)	*From the Ambassador in France (tel.)* According of facilities by France to shipments from Armenian and Syrian Relief Society.	817

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Relief Work in Turkish Territories—Continued

Date and number	Subject	Page
1918		
Dec. 5 (4347)	*From the Chargé in Great Britain (tel.)* Foreign Office note (text printed) offering assistance to mission proposed by Armenian and Syrian Relief Society.	818
Dec. 19 (1396)	*From the Counselor of the British Embassy* Message from President of Robert College (text printed) inquiring date of relief shipment and requesting gold and coal.	818
Dec. 23	*To the Counselor of the British Embassy* Date of sailing of relief expedition for Turkey; impossibility of carrying gold or coal.	819
1919		
Jan. 16 (4095)	*To the Ambassador in Great Britain (tel.)* Dispatch of 3 relief ships to Turkey; request for safe passage through Dardenelles and into Turkish ports. (Instructions to repeat to Paris.)	819
Jan. 23 (6893)	*From the Chargé in France (tel.)* Foreign Office statement that desired facilities will be given relief ships bound for Turkey.	820
Feb. 12 (891)	*From the Ambassador in Great Britain (tel.)* British instructions to Mediterranean forces to afford relief mission all practical facilities.	820
Nov. 11	*From the Executive Committee of Near East Relief* Report of destitution and urgent need for Government aid in securing funds and foodstuffs for the Near East.	821
Nov. 17 (3796)	*To the Commission to Negotiate Peace (tel.)* For Polk and Haskell: Authorization for Wheat Director and President of Grain Corp. to sell wheat to Armenia on credit or otherwise.	824

Efforts in Behalf of the Armenians

MEMORANDUM OF RECOMMENDATIONS FROM PARIS—APPOINTMENT OF COLONEL HASKELL AS HIGH COMMISSIONER AND DIRECTOR OF RELIEF AND OF GENERAL HARBORD AS CHIEF OF A MILITARY MISSION OF INVESTIGATION—APPEALS FOR POSTPONEMENT OF WITHDRAWAL OF BRITISH FORCES FROM THE TRANSCAUCASUS—WARNING ADDRESSED BY THE PRESIDENT TO TURKISH AUTHORITIES OF THE CONSEQUENCES OF FURTHER MASSACRES, AUGUST 16, 1919; TURKISH REPLY, AUGUST 25—FRENCH PROPOSAL TO OCCUPY SOUTHERN ARMENIA—REPORT OF THE HARBORD MISSION

June 28 (2461)	*To the Commission to Negotiate Peace (tel.)* Message from Hughes Committee to the President (text printed) urging immediate aid in subjugation of territory by Armenians.	824
July 3 (2961)	*From the Commission to Negotiate Peace (tel.)* For Hughes Committee: Hoover–Morgenthau memorandum (text printed) summarizing relief needs and recommending foreign protectorate over Armenia.	825

TURKEY

Efforts in Behalf of the Armenians—Continued

Date and number	Subject	Page
1919		
July 5 (2982)	*From the Commission to Negotiate Peace (tel.)* Telegram sent to the President by Hoover and Morgenthau (text printed) recommending appointment of Haskell as High Commissioner and Director of Relief and Harbord as chief of military mission of investigation in Armenia.	826
July 11 (3076)	*From the Commission to Negotiate Peace (tel.)* From Lansing: Appointment of Haskell as High Commissioner in Armenia and Director of Relief.	827
Aug. 1 (2695)	*To the Commission to Negotiate Peace (tel.)* Approval of Hoover–Morgenthau recommendation for Harbord mission of investigation in Armenia.	828
Aug. 9 (5792)	*To the Ambassador in Great Britain (tel.)* Message from American Mission (text printed) urging appeal to British against immediate withdrawal of troops from Batum; instructions to make proper representations.	828
Aug. 11 (5795)	*To the Ambassador in Great Britain (tel.)* Instructions to urge British not to withdraw troops from Batum at present.	828
Undated [Rec'd Aug. 12] (3629)	*From the Commission to Negotiate Peace (tel.)* From Polk: Failure of powers to take action on Haskell's request that British be urged to revoke evacuation order.	829
Aug. 12 (2766)	*From the Ambassador in Great Britain (tel.)* Interview with Curzon disclosing unwillingness to postpone British evacuation of Armenia; British proposal for U.S. mandate.	829
Aug. 15 (2801)	*From the Ambassador in Great Britain (tel.)* Foreign Office note (text printed) stating evacuation of Batum will be delayed and again suggesting possibility of U.S. mandate.	830
Aug. 16 (2849)	*To the Commission to Negotiate Peace (tel.)* The President's instructions to warn Turkish authorities of possible change in peace terms in event of mistreatment of Armenians. (Instructions to repeat to High Commissioner at Constantinople for communication to Turkish authorities.)	831
Aug. 20 (2885)	*To the Commission to Negotiate Peace (tel.)* Advisability of discussing with Allied delegates emergency measures to prevent bloodshed and other lawlessness in Armenia.	832
Aug. 20 (2840)	*From the Ambassador in Great Britain (tel.)* Foreign Office note (text printed) suggesting that the United States assume mandate over Armenia and bear expenses of retaining British forces there prior to sending own troops.	832
Aug. 23 (3856)	*From the Commission to Negotiate Peace (tel.)* From Polk: Inquiry as to U.S. attitude toward bearing expenses of military assistance in Armenia and toward U.S. mandate.	833

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Efforts in Behalf of the Armenians—Continued

Date and number	Subject	Page
1919		
Aug. 23 (5867)	*To the Ambassador in Great Britain* (*tel.*) Impossibility of maintaining forces in Armenia, in view of U.S. political situation; necessity for basing appeal to Great Britain on humanitarian grounds.	834
Aug. 25 (2939)	*To the Commission to Negotiate Peace* (*tel.*) For Polk: Transmittal of telegram No. 5867, sent Aug. 23 to Ambassador in Great Britain.	834n
Aug. 25 (157)	*From the Commissioner at Constantinople* (*tel.*) Grand Vizier's reply (text printed) to the President's message on Armenian situation, requesting power to increase Turkish Army and thus afford protection.	835
Aug. 26 (5874)	*To the Ambassador in Great Britain* (*tel.*) Instructions to make representations regarding Allied responsibility and obligations in Near East and possible consequences of withdrawal of British troops.	836
Aug. 26 (2897)	*From the Ambassador in Great Britain* (*tel.*) Foreign Office opinion that some measures can be devised for protection of Armenians.	837
Aug. 29 (2918)	*From the Ambassador in Great Britain* (*tel.*) Previous discussion with Curzon on lines suggested by Department.	837
Aug. 30 (3960)	*From the Commission to Negotiate Peace* (*tel.*) From Polk: Request for instructions on French proposal to send troops to protect Armenia.	838
Sept. 2 (3021)	*To the Commission to Negotiate Peace* (*tel.*) For Polk: Department's approval of immediate replacement of British troops by French, in view of possible massacres in Armenia.	838
Sept. 20 (3193)	*To the Commission to Negotiate Peace* (*tel.*) For Polk: Divergent attitudes of Congress and the President toward supplying military aid to Armenia.	839
Sept. 22 (4312)	*From the Commission to Negotiate Peace* (*tel.*) From Polk: Replacement of British troops in Armenia by French; inadequacy of French occupation or proposed joint occupation with U.S. troops for protection of Russian Armenia.	840
Oct. 16	*From the Chief of the Military Mission to Armenia* Report of mission on history and present situation of Armenia and desirability of U.S. mandate therefor, together with exhibits describing Turkish Nationalist movement under Mustapha Kemal Pasha.	841
Dec. 4 (101)	*From the High Commissioner at Constantinople* (*tel.*) Report on present conditions in Caucasus.	889

YUGOSLAVIA

Recognition by the United States of the Kingdom of the Serbs, Croats and Slovenes, February 7, 1919

Date and number	Subject	Page
1918 Nov. 11 (176)	*From the Serbian Chargé* Request for recognition of National Council in Zagreb as representative of Serbians, Croatians and Slovenes within boundaries of former Austria-Hungary, pending organization of state.	892
1919 Undated [Rec'd Jan. 6]	*From the Serbian Chargé* Proclamation of union of Serbs, Croats and Slovenes in a single kingdom with Crown Prince Alexander as regent; admission of Montenegro to union.	892
Jan. 10 (147)	*From the Chargé in Yugoslavia* Prince Regent's proclamation (text printed) outlining formation and plans of new government.	893
Feb. 6 (622)	*From the Commission to Negotiate Peace (tel.)* Secretary of State's statement for publication (text printed) approving union of Serbs, Croats and Slovenes.	899
Feb. 10 (2)	*To the Yugoslav Minister* U.S. recognition of Kingdom of Serbs, Croats and Slovenes, reserving to the Peace Conference the determination of territorial frontiers.	899

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CUBA

POLITICAL AFFAIRS

Assistance of Major General Enoch H. Crowder, U.S. Army, in Revision of the Electoral Laws—Agitation of Cuban Liberals for Supervision of Elections by the United States

837.00/1504a : Telegram

The Acting Secretary of State to the Chargé in Cuba (Bingham)

WASHINGTON, *January 15, 1919, 6 p.m.*

Strictly confidential. During Mr. Gonzales' visit to Washington, he had an extended conference with the Acting Secretary of State and the Chief of the Latin American Division in regard to the present and future political situation in Cuba. The Acting Secretary of State in this conference instructed Mr. Gonzales, immediately upon his return to Havana, to inform the President of Cuba that in the opinion of the Government of the United States it was of the utmost importance that the Government of Cuba should forthwith proceed to take active steps for the reformation of the present Cuban electoral laws and should establish an adequate census in order that the register of voters should be corrected in time for the next presidential election.

Mr. Gonzales was also instructed to impress upon the President the great importance of giving immediate assurances to the public that the next presidential elections would be conducted in a free and fair manner and Mr. Gonzales was directed to endeavor to obtain from the President of Cuba a request that the United States should send a commission to Cuba to aid in the supervision of the elections. At the same time Mr. Gonzales was instructed to obtain from the President a further promise that he would make a public statement as soon as possible along the above lines.

Mr. Gonzales expressed himself as concurring with the Department in its view that these steps were absolutely necessary to secure peace in Cuba.

In view of the cablegram which the Navy Department has received from the Naval Attaché at Havana, stating that serious trouble is anticipated within the next few days, the Department believes that it would be inexpedient to await the arrival of Mr. Gonzales in Cuba in order to communicate the above suggestions and desires to the President of Cuba.

You are therefore instructed to seek the earliest possible moment to convey the substance of the above to President Menocal.

POLK

837.00/1509

The Chargé in Cuba (Bingham) to the Acting Secretary of State

No. 912 HABANA, *January 18, 1919.*
[*Received January 27.*]

SIR: Adverting to the Department's confidential telegram January 15, 6 p.m., regarding the Reformation of the Present Cuban Election Laws, I have the honor to enclose herewith copy of the Legation's Note No. 763 of January 17, in the premises.

The Department's attention is invited to the fact that this note was addressed to the Minister of Foreign Affairs, with the request that it be presented to President Menocal, as it seemed desirable not to neglect any means which would serve to make this a matter of record.

Upon reading the note, Mr. Desvernine agreed frankly that the Cuban Electoral Laws needed improvement and said that the President had twice sent messages to Congress in this sense, which had so far not been acted upon; he said that he hoped that the interest the United States was showing in the matter would have a good effect upon the Legislative Body.

The Minister of Foreign Affairs then went on to say, that he was certain that President Menocal would not agree to having the United States send a commission to Cuba to aid in the supervision of the elections, as this would wound Cuban pride, and that some means could surely be found to accomplish the desired end without such humiliation.

I have [etc.] RUTHERFURD BINGHAM

[Enclosure]

The American Chargé (Bingham) to the Cuban Secretary of State (Desvernine)

No. 763 HABANA, *January 17, 1919.*

EXCELLENCY: I have the honor to convey to Your Excellency, with the request that it be transmitted to His Excellency the President, the fact that in the opinion of the Government of the United States it is of the utmost importance that the Government of Cuba should proceed forthwith to take active steps for the reformation of the present Electoral Laws, and that, as a necessary preliminary, an adequate census should be taken in the near future, in order that the

register of voters may be corrected in time for the next Presidential Election. The United States Government desires to impress upon His Excellency the President the great importance of giving immediate assurances to the public that the next Presidential elections will be conducted in a free and fair manner.

In view of the close relations existing between the United States and Cuba, my Government instructs me further to say that it would be greatly pleased to receive from President Menocal a request to have the United States send a commission to Cuba to aid in the supervision of the elections, and I am further instructed to request a promise from the President that he will make a public statement as soon as possible along the lines indicated.

I avail myself [etc.] RUTHERFURD BINGHAM

837.00/1510

The Minister in Cuba (Gonzales) to the Acting Secretary of State

No. 918 HABANA, *January 23, 1919.*
[*Received January 28.*]

SIR: Adverting to the Department's telegraph instruction dated January 15; 6 p.m. regarding the Reformation of the Present Cuban Electoral Laws and the Legation's despatch No. 912, dated January 18, 1919. I have the honor to enclose herewith, duplicate copies in translation, of a note from the Cuban Minister of Foreign Affairs in the premises.

I have [etc.] WILLIAM E. GONZALES

[Enclosure—Translation]

The Cuban Secretary of State (Desvernine) to the American Chargé (Bingham)

No. 11 HABANA, *January 20, 1919.*

MR. CHARGÉ D'AFFAIRES: I have informed His Excellency the President of the Republic of your Note No. 763, under date of the 17th instant, which you, Mr. Chargé d'Affaires, addressed to me personally, and in compliance with the instructions given me by His Excellency the President, I shall proceed to answer the note in question in the following terms:

The taking of a new census of population as a necessary preliminary step toward the revision and reformation of the electoral lists, the errors and defects of which have been set forth in sundry documents, has been the subject of continuous appeals by His Excellency the President to Congress and to the political parties of the Republic. In his message devoted exclusively to that subject, dated the 14th of

December, 1914, the President pointed out in detail the deficiencies to which I refer, and though on more than one occasion he has requested the Legislative Bodies to assist in the enactment of a law providing for the taking of a general census, or the revision and reformation of the electoral lists, the desired end has not been achieved through the failure of the political opposition to support such a measure.

In his messages of April 3, 1916, and April of 1917, the President renewed these recommendations, without being able to obtain the assent of the said political opposition to the legislative action necessary for the purpose, which could only be accomplished by the co-operation of both the political parties of Cuba.

Lastly, in his message of November 4, last year, the President called the attention of the two Legislative Bodies to the errors and defects of the lists in question and to the need of reforming the Electoral Law in such of its provisions as gave rise to frauds and abuses. The literal transcription of this message is given herewith:

"The elections have taken place in an orderly manner, and without any complaints having been received from any party or candidate of undue intervention by the authorities in the electoral operations. The Central Electoral Board and the Provisional Municipal Boards, in the exercise of the powers which the Electoral Law confers upon them and with the impartiality and independence assured them by their being permanently composed of members of the bench and representatives of the two great contending parties, have dictated the proper regulations and competently dealt with all appeals received, with due consideration, in so far as they were empowered, to the insurance of the liberty and purity of the suffrage. To my Government nothing else was possible, and I have endeavored with special zeal to guarantee public order and the rights of all.

But it is evident and of public notoriety that each day there appear more noticeable and alarming signs of the abuses and corrupt practices which for many years have vitiated the electoral lists, without there being any means within ordinary procedure to correct these defects, since the persons whose duty it is to strive for and attain their correction and reformation scarcely take interest in whether they continue as they are or become still further corrupted. Since 1914, I have, in different messages, recommended this very important matter to the consideration of Congress, explaining the character of the evil, recognized by everybody and repeatedly denounced by the periodical press; and have demonstrated the impossibility of remedying it, according to general belief, without taking a new general census as a basis for new lists. I again call attention to the messages above referred to, and especially to those of December 14th, 1914, April 3rd, 1916, and April 9th, 1917.

The Electoral Law of September 11, 1918, conscientious and well thought out as it was, elicited favorable comment alike from corporations and publicists, here and abroad, but it did not accord, nevertheless, as has been shown in practice, with the needs of our national

character and the deficiencies of our political education. Congress would render a valuable service to the country by proceeding to a careful examination and correction of the clauses which are deemed inadequate or liable to ambiguous interpretation.["]

Notwithstanding that his efforts in behalf of a new census of the population have not met with success, the President has not been discouraged, nor will he be discouraged in his firm purpose of devoting the most careful attention to the matter and his unremitting efforts towards its attainment, as soon as the new Legislature is inaugurated on April 2, next, when advantage may be taken of the favorable circumstance of there being a political majority on the side of the Government sufficiently large to overcome the opposition of obstructionists and elements opposed to the Government, which, as you, Mr. Chargé d'Affaires, cannot be unaware, have frequently reduced our houses of Congress to legislative inertia.

His Excellency the President offers the assurance that he will withhold no effort to secure the co-operation of the leaders of the opposition who, in view of the majority above referred to, will not be able to ignore or resist the forces of the Government, and may prefer to actively co-operate in putting through a work in which all citizens are so deeply concerned.

With reference to the offer to which Your Honor refers, to send a Commission to Cuba to assist in the supervision of the elections, the President regrets not being able to accept it, not only because he does not believe it necessary, expedient or advisable, but that, on the contrary, it would be a disturbing and unsettling element, since its acceptance would seem to indicate a lack of confidence in the reasonableness and good sense of the Cuban public, of which they are able, by themselves, to give conclusive evidence, and the opposition party would see in this measure an expression of lack of confidence in the Government.

Complying with the instructions of the President, I can assure you, Mr. Chargé d'Affaires, that this is the purpose, and it will be carried out, both in regard to the taking of the new census, the drastic and rigid correction of the electoral lists and the reform of the Electoral Law, so far as needed, all in accordance with the message above cited, and that which will be addressed to Congress at the opening of the Legislature, the President being confident that the Presidential Elections will take place with all the guarantees necessary.

His Excellency the President informs me that he is in sympathy with the movement, and in order to prepare public opinion for this important work, Dr. Ricardo Dolz, the leader of the Conservative Party, in his address to the Executive Committee of that political

group, delivered on the evening of the 15th of this month, explained clearly the standard and aim to which this party must give its most emphatic support. For a better understanding of the above the entire text of his discourse is appended hereto.[1]

I renew [etc.] PABLO DESVERNINE

837.00/1504a supp'l: Telegram

The Acting Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *January 24, 1919, 1 p.m.*

Strictly confidential. Department's January 15, 6 p.m. Referring to the verbal instructions given to you by the Department and instructions sent to Legation in above cable, Department desires to know result of interview with President Menocal and instructs you to endeavor to obtain from President Menocal a promise that he will give immediate public assurances as regards presidential election and reform in electoral laws as suggested by Department.

As Department regards situation throughout Cuba as extremely serious and dangerous to best interests of the United States and Allies, you are instructed to keep this matter before President Menocal until he makes the desired statements. You may say to President Menocal in presenting this matter to him that such a statement will argue very strongly that the attitude of his administration in Cuba is indicative of a desire to give to all absolute political freedom, which is the only attitude which the Government of the United States can conscientiously support.

You may further say that in its support of constitutional governments the United States must take into consideration their attitude in regard to the freedom of elections and proper governmental administration.

POLK

837.00/1508: Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *January 25, 1919, 2 p.m.*
[*Received 6.41 p.m.*]

54. Your January 24, 1 p.m. Reply of President to your January 15, 6 p.m. which was presented before my arrival, is in pouch on way to Washington.[1] Since arriving the President has informed me that he notified leaders of his party some time ago when insisting on necessity of election reform that he would resign before participating as President in elections of character of last one.

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[1] Not printed.

I wish the Department had given me time to present the matter in my own way and in the spirit indicated in the conference held in the State Department on the afternoon of January 10th.

GONZALES

837.00/1513 : Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *February 3, 1919, 11 a.m.*
[*Received 8 p.m.*]

60. At session of national convention of Liberal Party last night a motion was carried by 48 votes against 13 authorizing the executive committee to invoke American supervision 1920 presidential elections if and when in committee's judgment circumstances should warrant it. This question has been much agitated in the party press and ranks during the last two months and party sentiment generally seems strongly in favor of it. Several months before 1916 election same motion was discussed and rejected by convention. Alfredo Zayas several times presidential nominee is chairman of and dominates executive committee thus empowered to invoke supervision. He warmly supported the motion in last night's meeting and voted in favor of it.

A significant incident is that two of the most prominent Zayistas, Juan Gualberto Gomez and Loynaz del Castillo in referring to 1917 revolution declared they had no knowledge or inkling of it until after it had broken out thus giving authoritative confirmation of widely held belief that José Miguel Gomez and his personal supporters were wholly responsible for it and that it was intended as much a coup against Zayas as Menocal.

Cosme de la Torriente former Secretary of State but lately rather independent in politics in interview published yesterday points out that effective supervision of election by the United States would mean control of all Government machinery as complete as if American governors were sitting in the palace and would surely lead into a permanent intervention.

GONZALES

837.00/1509

The Acting Secretary of State to the Minister in Cuba (Gonzales)

No. 754 WASHINGTON, *February 6, 1919.*

SIR: The Department is in receipt of Mr. Bingham's Despatch, No. 912, of January 18,[2] in which he reported that he had conveyed

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[2] *Ante*, p. 2.

the observations contained in the Department's telegram of January 15, 6 P.M.[4] with reference to the coming elections in Cuba, to the Minister of Foreign Affairs in a note with the request that it be presented to President Menocal. Mr. Bingham stated that he took this action because it seemed desirable to him not to neglect any means which would serve to make the matter one of record.

The Department's telegram of January 15, 6 p. m. instructed Mr. Bingham "to seek the earliest possible moment to convey the substance of the above to President Menocal."

In view of the phraseology of the telegraphic instruction, the Department is at a loss to understand why Mr. Bingham addressed a note to the Foreign Office with regard to the matter instead of seeking the earliest opportunity to convey orally the substance of the Department's observations to the President of Cuba.

I am [etc.]

For the Acting Secretary of State:
ALVEY A. ADEE

837.00/1514 : Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *February 12, 1919, 11 a.m.*
[*Received 5.16 p.m.*]

67. After several conferences with President and Secretary of State the following statement is authorized. It is the strongest obtainable at this time but am confident General Crowder can retain direction if considered desirable.

"Knowing the keen interest felt by all friends of Cuba in and out of this country and knowing the gratification it would give them to hear that there is a legitimate expectation of such changes in the election laws and methods in Cuba as will remove the constant source of irritation, criticism and mortification, it is a great satisfaction to have the authority from General Menocal to say that he is determined at the beginning of the next session of Congress to again urge such amendments to the election laws and census revision as will enable honest elections to be held; that because of the change of personnel of the next Congress together with his determination to press this question with the greatest vigor he is most hopeful of an early and successful issue. I am further authorized to say that as the existing election laws of Cuba were partly drawn under the direction of that eminent lawyer and devoted friend of Cuba Major-General E. H. Crowder who was so signally successful as Provost Marshal General of the United States and [*in*] providing for and securing the registration of men for a great American Army, President Menocal has also determined to

[4] *Ante*, p. 1.

invite General Crowder to come to Cuba at an early date to advise with the legal experts of the Cuban Government in the labor of preparing such amendments to the election laws of Cuba as will meet the needs of the present and future."

Publicity is contemplated as soon as Habana newspapers which have not appeared for several days on account of strikes of printers resume publication.

GONZALES

837.00/1508 : Telegram

The Acting Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *February 12, 1919, 1 p.m.*

Department's January 24, 1 p.m. and your January 25, 2 p.m.

You are instructed to keep before President Menocal the substance of Department's telegram January 24, 1 p.m. and constantly to call to the attention of the Cuban Government the promises made in regard to electoral reforms contained in the note from the Minister of Foreign Affairs to your Legation of January 20, 1919.[5]

POLK

837.00/1515 : Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *February 13, 1919, 2 p.m.*
[*Received 5.16 p.m.*]

68. I am requested by President Menocal to extend to General Crowder an invitation in his name to come to Cuba at his earliest convenience to act in the capacity explained in my telegram of February 12, 11 a.m., and also to inform the Department that I allow [*sic*] this under authorization from the President. Will the Department present the invitation and communicate the reply?

GONZALES

837.00/1516 : Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *February 15, 1919, 10 a.m.*
[*Received 1.13 p.m.*]

69. My February 12th, 11 a.m. and February 13th, 2 p.m. Statement given to press today. The President anxious to have General Crowder come at once as present Congress is agitating election reform law.

GONZALES

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[5] *Ante*, p. 3.

837.00/1515 : Telegram

The Acting Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *March 3, 1919, 6 p.m.*

Your February 13, 2 p.m. and your February 15, 10 a.m.

You will convey to President Menocal an expression of the appreciation of the War Department of the invitation extended to General Crowder and say that it will give the War Department pleasure to release the General at once for the service which the President of Cuba desires him to perform.

General Crowder and Colonel Trent will leave Washington for Habana about March 7.[6] You are instructed to reserve two bedrooms, two baths, and a sitting room for them in the best hotel. You will draw upon the Department for the payment of this suite forwarding the Department a special account.

Confidential. General Crowder desires to proceed quietly to Habana and to receive no demonstration upon his arrival.

POLK

837.00/1531a

The Acting Secretary of State to the Minister in Cuba (Gonzales)

No. 775 WASHINGTON, *March 24, 1919.*

SIR: The Department is informed that President Menocal has given out for publication a statement that it was by his suggestion that General Crowder, who had had such an important part in preparing the present electoral law[7] and whose gifts of wisdom and character were so highly appreciated in Cuba, should be invited to cooperate in recommending to the Cuban Congress the most practical reforms of the Cuban election laws. This statement is also said to have announced that President Menocal has taken pains to emphasize the fact that the Cuban Congress will be free to accept or not to accept the suggestion of the head of the Legal Department of the American Army.

You are requested to inform the Department whether President Menocal's statement has been truly reported and particularly regarding his present attitude toward General Crowder's mission.

I am [etc.]

For the Acting Secretary of State:

ALVEY A. ADEE

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[6] By a telegram of Mar. 5 the date of departure was postponed "a week or two."

[7] Electoral Law of 1908. The printed report of the Advisory Committee, E. H. Crowder, chairman, dated Dec. 30, 1907, was transmitted to the Department as enclosure to despatch No. 641, Apr. 13, 1908, from the Minister in Cuba (File No. 1943/91).

837.00/1533

General Enoch H. Crowder to the Acting Secretary of State

HABANA, *April 1, 1919.*
[*Received April 8.*]

MY DEAR MR. SECRETARY: I arrived in Havana on Tuesday, March 18, and this is the preliminary report I promised you at the end of two weeks of my study of the electoral situation in Cuba. Offices were not available for me immediately upon my arrival and I lost some time in securing suitable quarters, but was able to inaugurate my work on Friday, March 21 and have been proceeding, since that date, in a halting way—that is, with many obstructions—in my attempt to secure data and give definition to the electoral situation which I came to investigate.

Practically coincident with my arrival in Havana, the Supreme Court of Cuba handed down its decision in the contested Santa Clara election cases growing out of the last general elections of 1918, decreeing the nullity of the elections in three hundred and nine out of the four hundred and sixty-six colleges (electoral precincts) of that Province. It seemed to me tactically wise to take advantage of the findings of fact of the Supreme Court respecting frauds in Santa Clara Province, and pursue my investigations along the lines indicated by the Court, until I was able to give definition to the electoral situation in that Province; and then to establish by analogies to be drawn the electoral situation in the five other Provinces developed by the biennial elections of 1918. I have deemed this course tactically wise because those political parties and groups in Cuba who would be disposed to dissent from my findings of fact will be at the disadvantage of dissenting also from the findings of fact of their own Supreme Court.

I have only commenced my work. Much remains to be done in the way of investigation if the facts which will enable me to define the situation here are to be ascertained and stated. My investigation promises to extend itself over a longer period than I anticipated. I know that you do not want a half-way job and I have in mind, always, your final injunction to cover in my report all matters necessary to a complete understanding by the State Department of the situation here, to the end that the report I submit may aid the State Department in understanding situations and deciding questions which arise or promise to arise in connection with the general elections for President to be held in 1920.

I have proceeded far enough with the investigation to know that in Santa Clara Province alone the registration lists have been so inflated with fictitious names that the total number of electors

inscribed in that Province for the elections of 1918 closely approximated the total number of electors entitled to be inscribed for that election in all six Provinces. Of course, this could not have happened except through collusion among the political parties, for the Law, as it now stands, furnished the most ample safe-guards against such a padding of the Registration Lists.

The elections of 1918 resulted in giving Menocal and the Conservative Party a majority in Congress, but of course this was not the motive for the padding of the lists. That motive, as I now see it, was to give the Conservative Party and the Zayista faction of the Liberal Party the representation upon the electoral boards for 1920. This padding has gone on in all of the Provinces and with similar motives. There are some reliably reported instances where the registration in certain municipalities exceeds the total population.

The mandate of the Supreme Court for new elections in three hundred and nine colleges of Santa Clara Province should be sent to the Provincial Electoral Board in the next few days in order that the new and special elections may be proclaimed by that Board. But I am confidentially advised by the Secretary of State that there may be some delay in the ordering of these new elections in the interest of the grinding season which is now on. If, however, the elections are not delayed, there is this situation to deal with. The new elections in these three hundred and nine colleges must, under the requirements of the law, be held under the old and grotesquely fraudulent registration, and no candidate can be voted for at the new elections who was not a candidate at the old and fraudulent elections; this, unless the Congress, which is now in session, steps in rather promptly and enacts a special Law for the conduct of the new elections. I have no doubt that this would be a proper course, for you will, without difficulty, proceed with me to the conclusion that a new and honest election in those three hundred and nine colleges, super-imposed upon the fraudulent elections in the remaining one hundred and fifty-seven colleges, would produce about as absurd a result as can well be imagined, and more dissatisfaction within the Province than the new elections were intended to compose.

I think the Congress of Cuba is undoubtedly competent, on the basis of the findings of fact of the Supreme Court, to annul the elections throughout the Province, decree a rectification of the registration lists within that province, and direct a new and special election establishing a new and special procedure, looking to the reconstitution of the college boards along non-partisan lines; and this is what ought to be done. Of course, I shall not intervene in

this matter, but I shall, without awaiting your further instructions, have a preliminary conference with President Menocal and hear what his views are, if he chooses to impart them to me, so that I may further advise you in the premises.

Prior to my arrival in Havana, the *Camara* had appointed a special committee on elections, consisting of four conservative and three liberal members, to study the electoral law and report back to the *Camara* a revision thereon; in other words, to undertake the same task that I was sent here to perform. I sought immediately to establish contact with that committee and then to have a meeting with it at an early date, of which they would give me notice, when we can confer on the general situation. It would expedite results if I could bring the committee to work in harmony with the views I come to entertain as to the more essential amendments to be made to the electoral law.

You can well understand how anxious I am to return to the United States, but I see no way to complete this task with that expedition that would permit me to contemplate an early return. The meeting of the Bar Association to consider amendments to the Articles of War, and the forthcoming hearing, upon the reassembling of Congress, of the Military Committees, are of the greatest importance to me, and I do not like to think of them closing their meetings without an opportunity to appear before them.

Very respectfully,

E. H. Crowder

837.00/1534

General Enoch H. Crowder to the Acting Secretary of State

Habana, *April 3, 1919.*
[*Received April 8.*]

My Dear Mr. Secretary: In my letter of April 1, I gave you notice of my intention to confer with President Menocal respecting the new elections to be held in Santa Clara Province under the recent decision of the Supreme Court of Cuba. The conference took place yesterday, April 2, and developed the following:

1. That the decree of the Supreme Court declaring the nullity of the elections in three hundred and nine out of the four hundred and sixty-six electoral colleges of Santa Clara Province was mailed to the Provincial board on Saturday, March 29, with a view to the issue of the Proclamation calling for the new election; which Proclamation by the provincial board must precede the elections by twenty days. No information has reached the President that the proclamation has as yet been issued. Presumably the provincial board will act promptly and about the twenty-fifth of this month

we shall find ourselves engaged in holding these new and special elections.

2. In response to my further inquiry, President Menocal expressed the view that the electoral machinery would, upon reassembling for these special elections, enact precisely the same procedure as in the old elections of November 1, with one exception—that is to say, few, if any, electors will present themselves at the polls, and the college boards will make up and cast the ballots of the individuals named on the registration lists to elect the candidates heretofore agreed upon between the political parties, except that this time they will mark and fold the ballots so that the Central Electoral Board and the Supreme Court can entertain the presumption that the individual elector did cast his ballot. President Menocal seemed to contemplate this with equanimity.

I ventured to express to him the view that the spectacle of the boards in three hundred and nine colleges reenacting this fraud was not a pleasant one to contemplate and could not help but be somewhat embarrassing to me in the work that I had to do; further, that if the same college boards were continued for the new and special elections as had conducted the old and fraudulent elections, it would look like the Government itself had ratified their prior fraudulent acts. He asked me what suggestions I had to make and I told him it was quite beyond my province to make any suggestions; that I was only trying to discover what action would be taken by the Cuban authorities in order to shape my own course; that I did not regard it as within my authority to suggest any extraordinary but legally justifiable course to meet the present rather acute situation.

We discussed in detail the requirement of the existing law that new and special elections in the three hundred and nine colleges of Santa Clara must be held under the old and conspicuously fraudulent registration which governed in the election of November 1 declared null and void by the Supreme Court; and that no candidate could be voted for in the new elections that was not on the official ballot in the old. This led to an exchange of views as to the propriety of submitting the whole matter to the Cuban Congress in a special message—a course which I suggested tentatively in my letter to you of April 1. President Menocal was of the opinion that if Congress were addressed on the subject it would have to consider the elections in the other five provinces which he said, with considerable emphasis, were equally fraudulent with those held in Santa Clara, and I felt inclined to agree with him. He asked me if I would attend a conference with him, the Chief Justice of the Supreme Court and the Fiscal, further to discuss the situation. I replied that I would respond to any request of this character that he might make with the full understanding, on his

part, that his invitation and *not* my official instructions would be the reason for my presence.

When this conference has been had, I shall advise you further. I cannot help but think that the re-enactment, in the new and special elections in Santa Clara, of the frauds committed in the old elections of November 1, 1918, in that province, while I am here investigating, would prove somewhat embarrassing in my work, as it could then very well be said that the Cuban electoral agencies flaunted their defiance of the penal provisions of the electoral law and of the courts in the face of the representative of our Government engaged in investigating the old frauds.

From this time on I hope to write you much shorter letters.

Very respectfully,

E. H. CROWDER

837.00/1538

The Minister in Cuba (Gonzales) to the Acting Secretary of State

No. 985 HABANA, *April 15, 1919.*
[*Received April 19.*]

SIR: I have the honor to acknowledge receipt of Department's instruction No. 775 of March 24, 1919,[8] in reference to a statement given out from the Palace concerning the invitation to General Crowder.

Following the publication of the public statement by me (see my cable of February 15, 11 [*10*] a.m.[9]) there were several press political comments and statements which, while appearing quite cordial to the coming of General Crowder, indicated that Congress could or would do all that might be needed for the revision of electoral laws, and conveying the idea that the President's action was a reflection on Congress. This was more or less trivial, but Doctor Montoro, Secretary to the President, published a statement, a translation of which follows—a copy of the original in Spanish, as furnished me by Doctor Montoro, is enclosed:

"Some time ago the President had occasion to mention to the Minister of the United States his purpose, stated in his last message to Congress, to persist in his recommendations for revision of the electoral law, as made and reiterated in successive messages since 1914; and recalling the prominent participation taken in drafting the electoral law and in directing the electoral census of 1907 by the then Colonel and now Major General Crowder as Chairman of the Advisory Commission, as well as his great gifts of intelligence, wisdom and uprightness, the President expressed the wish to invite his cooperation in formulating recommendations to be in due course

[8] *Ante*, p. 10. [9] *Ante*, p. 9.

communicated to Congress, in order that that body might, in the free exercise of its functions, accepting or not the recommendations thus made to it, proceed to dispose once and for all of this important matter pursuant to the unanimous demand of public opinion.["]

As I regarded this as simply a defence of the President's action, and as a confirmation of my more direct statement authorized by the President, no other importance was attached to it. I still hold that view.

In order to obtain the opinion of General Crowder I submitted to him the statement by Doctor Montoro, stating I understood it had been drawn out by allegations that the plan proposed contemplated an interference with congressional prerogatives, and said "I would be glad to know whether you consider this statement in any way inimical or obstructive or threatening to the success of your work here." To this inquiry General Crowder replies:

"I do not consider the statement as in any sense obstructive or inimical to the successful accomplishment of my work. It must have been understood by both the Cuban Government and our own that I was not sent here to enact a law, but to recommend one, and that my recommendations while presumably persuasive with the Cuban Congress, were in no sense controlling. I do not see how, under the circumstances you mention, Doctor Montoro could have answered otherwise than he did."

As I considered General Crowder the best authority as to the "present attitude" of President Menocal toward him, he having seen the President since I have, and being in daily personal touch with leaders and politicians of both parties, I asked him the question propounded by the Department about the President's attitude toward him and he replied "most cordial".

I have [etc.] WILLIAM E. GONZALES

837.00/1541

The Minister in Cuba (Gonzales) to the Acting Secretary of State

No. 989 HABANA, *April 16, 1919.*
[*Received April 22.*]

SIR: Referring to the Department's instruction No. 775 of March 24,[11] and to my despatch No. 985, of April 15, in reply thereto, I have the honor to report that in President Menocal's semi-annual message to the Congress, published some days ago, I find the following reference to the official work of General Crowder:

"I intend to address in due course a special message to Congress containing the report which I have requested of the illustrious

[11] *Ante*, p. 10.

ex-President of the Advisory Commission of 1906, who in large part drafted the electoral law now in force, Major General E. H. Crowder, U.S. Army, and who by authorization of his Government and at my invitation, is at present in this capital engaged in this important task, and I am sure that his exceptional ability in this line of work will be very helpful for the recommendations which I shall at the proper time submit to the consideration and resolution of Congress.["]

I have [etc.] WILLIAM E. GONZALES

837.00/1542

General Enoch H. Crowder to the Acting Secretary of State

HABANA, *April 23, 1919.*
[*Received April 28.*]

MY DEAR MR. SECRETARY: Your letter of April 18th[12] acknowledging my two letters of April 1st and 3rd.[13] received yesterday.

I may dismiss the subject of the special elections to be held in Santa Clara Province on Saturday the 26th inst. in pursuance of the decision of the Supreme Court, with the statement that the conference which President Menocal suggested with the Chief Justice of the Supreme Court and the Fiscal, referred to in my letter of April 3rd, was not called by the President.

I have avoided making any official inquiry respecting these special elections, but have certain unofficial information which leads me to believe that the frauds, excepting only those pointed out in the opinion of the Supreme Court, will probably be repeated. The election boards are being constituted in the same way, and of course the fraudulent registration will be used again in these special elections. It remains to be seen whether they will have the courage to stuff the ballot boxes with tickets of fictitious registrants cast by members of the college boards. Certain newspapers here persisted in announcing American supervision of these special elections, by Colonel Trent of my staff.—This step was very earnestly desired by the Unionista Liberals of Santa Clara Province who represent the political following in that Province of General José Miguel Gómez. Of course nothing of the kind was contemplated and the fact finally came to be recognized by the newspapers in question.

I have practically completed my study of the electoral conditions in Cuba. On Saturday April 19th I conferred at length with President Menocal at his summer residence "El Chico". We were in substantial agreement as to all the basic reforms which I thought ought to be introduced. He suggested that the next step should be the appointment of a joint committee of the Senate and House before

[12] Not printed. [13] *Ante*, pp. 11 and 13, respectively.

whom I could appear and present the reforms which I stand for. He anticipates, as I do, that we will reach an agreement and that thereafter we could proceed rather expeditiously with the framing of the necessary amendatory bill which he thinks would be reported favorably by the committee backed by both Houses and rather speedily enacted into a law. He promised to see the political leaders on the following Monday and secure the appointment of such a joint committee promptly.

There was failure to secure a quorum at the attempted meeting of Congress on Monday April 21st.

At our meeting on Saturday April 19th the President urged me to support him in the recommendation of taking a new population census of Cuba, as the best method for obtaining an electoral census, but desirable for other reasons. He explained that Cuba had not had such a census since 1907 and that the annual revisions of the 1907 census, consummated by the aid of the civil registries, have been corruptly made in order to increase the membership of the Lower House of Congress. The population census of 1907 gave the Lower House a membership of 83—one to every 25,000 or major fraction thereof—but this membership has been increased by special act of Congress based upon said annual revisions in population, until it now reaches 118,—probably 20 in excess of the number which an accurate census would justify. President Menocal estimates that a new census would cost about $1,000,000 and argues that the expense would be saved in the salaries of Congressmen and clerks alone, in the ten year period to elapse until the next census would properly be taken;—in other words, that the census would pay for itself in the savings it would make in disbursements in the legislative branch for these additional Members and their clerks. The fact that a census ordered now would synchronize with the taking of the census in the United States was adverted to as an advantage which ought not to be ignored in view of the growing industrial and political relations between the two countries.

I am inclined to give President Menocal the aid he requests, but of course the taking of a population census is not, strictly speaking, an electoral necessity.

At a prior conference between us President Menocal had referred to the advisability of including municipal judges of Cuba in the judicial category, that is, making them judges of career, in order to remove them from the field of practical politics and in this way make them more eligible for the performance of their *ex officio* duties as presidents of municipal electoral boards. At this earlier interview the President furnished me an estimate of the cost connected with making municipal judges judges of career, which showed

that the resulting additional expense to the Cuban Treasury would be approximately $750,000 a year.

Subsequently the House Committee on Special Elections submitted its report, recommending this same change in the Organic Law of the Judiciary, representing it not only as an electoral necessity but most advisable in the judicial administration of the Island. They coupled their recommendation with another that all municipal courts outside of municipal capitals, be abolished.

At our interview at "El Chico" on Saturday last I brought this matter up for a further conference and asked the President what reduction on the estimate of $750,000 could be made if the recommendation of the House Committee on Special Elections that municipal courts outside of municipal capitals be abolished, should be accepted. He was not prepared at that time to answer; but I am to have an interview with him on the subject of the appointment of the joint committee of Congress, today or tomorrow, and will renew my inquiry.

When I have had my further interview with the President and met the joint committee, I shall communicate with you further as to the probable length of my stay here.

Very respectfully yours,

E. H. CROWDER

837.00/1544

General Enoch H. Crowder to the Acting Secretary of State

HABANA, *April 26, 1919.*
[*Received May 1.*]

DEAR MR. SECRETARY: The Joint Committee referred to in my letter of the twenty-third instant, constituted, not by appointment of the two Houses, but by agreement of the leaders of the two Houses with the President, and consisting of four Senators and four Members of the House equally divided between the Conservative and Liberal parties, met me on Thursday morning, April 24. The President of the Senate and the Speaker of the House have been made *ex-officio* members of the Committee and will meet with it from time to time.

At the first meeting the discussion concerned itself with the population census and the inclusion of the Municipal Judges in the judicial category and the committee voted unanimously to recommend both, thus meeting President Menocal's earnest wishes. I was gratified at the action taken, not because the population census and the making of Municipal Judges Judges of Career are, strictly speaking, electoral necessities, but because of the material aid which both will give toward an honest and efficient electoral administration.

At our second meeting on April 25 the discussion was limited to the constitution of the electoral boards, and with this gratifying result obtained with some difficulty, namely—that the two political parties, Conservative and Liberal, agreed to surrender their exclusive right under the existing law of representation on these boards in favor of a provision that would equalize the standing of all political parties before these boards. Under the new provision the political members of these boards will be advisory members without vote.

We are proceeding, thus far, by unanimous agreement, but I do not doubt that there are boulders ahead. I particularly desire that both the Conservative and the Liberal parties shall agree to a provision of the law which will require nominations for President and Vice-President for the presidential elections of 1920 to be deferred until after January 1, next, and then to be made by political conventions or assemblies reconstituted in their entirety. I have adverted in prior letters to the fact that the same political crowds that were making nominations for municipal, provincial and presidential offices in 1908 are making them today. It is very desirable to avoid this.

As a pleasing incident of our first meeting, my motion to recognize the President of the Senate as President of the Joint Committee appointed to meet me was turned down by a unanimous vote designating me to preside at the meetings of the Joint Committee.

We hold our next meeting on Monday, April 27, and daily thereafter until the bases of the law have been determined upon. Meantime, I am making some progress in drafting the amendatory statute. The work from this time on will be very important.

Very respectfully,

E. H. CROWDER

837.00/1545

General Enoch H. Crowder to the Acting Secretary of State

HABANA, *April 29, 1919.*
[*Received May 3.*]

MY DEAR MR. SECRETARY: Sessions of the Joint Committee, referred to in my communication of April 26, were resumed on Monday, April 28, and a further session was held today. Our agreement now covers the essentials of a population and electoral census, inclusion of municipal judges in a judicial category, constitution of electoral boards, permanent and temporary, and the registration and scrutiny. The political membership on all electoral boards, permanent and temporary, is to be advisory—without vote. The primary

scrutiny is left with the college boards to be conducted under many new safe-guards, and we are to have the intervention of notaries public before canvassing boards.

I feel that substantial progress has been made, but much remains yet to be done. I have succeeded in getting the Joint Committee to appoint three members as a drafting committee, to co-operate with me in perfecting a final draft of an amendatory statute, and we held our first session this afternoon and outlined the work. Progress depends upon our ability to get competent translators to work the amendatory draft into Spanish and English.

This morning I submitted to the Joint Committee a memorandum reviewing the corrupt practice legislation of the United States Congress and of our forty-eight State Legislatures, for their information and study, with the request that they report at a future meeting whether a composite statute, embodying all the more essential, pertinent provisions, which I took the pains to draw, was applicable either in whole or in part in Cuba. I intended it as introductory to the discussion of the propriety of enacting as a part of the new electoral law, a chapter dealing with the organization and activities of political parties in Cuba, and regulating party nominations. I do not expect the Committee to report in favor of a corrupt practice act, but I do hope to get some of its provisions into the Chapter referred to.

The test of the attitude of the Committee toward real electoral reform will come tomorrow and next day, in the consideration of the provisions I have proposed regulating contested election cases before the courts. I hope to be able to report satisfactory progress and, perhaps, the conclusion of our conferences on the bases of the law in about ten days. I hope I shall be able to report at that date satisfactory progress in the framing up of the amendatory law. If so, I shall then be able to discuss a date of return to Washington.

Yesterday, there occurred some discussion in the Cuban House, of the action taken by the President, in agreement with political leaders, in appointing the Joint Committee to confer with me. A press account of this debate, published in *El Mundo*, is herewith.[14] I am assured that the incident need not be regarded seriously and certainly this morning's conference with the Joint Committee was the most harmonious one we have had. I make this mention of the matter in order that you may properly judge any press dispatches that may have been sent to the United States.

Very truly yours,

E. H. Crowder

[14] Not printed.

837.00/1549

General Enoch H. Crowder to the Acting Secretary of State

HABANA, *May 8, 1919.*
[*Received May 16.*]

MY DEAR MR. SECRETARY: The sessions of the joint parliamentary committee referred to in my communications of April 26th and 29th have continued almost daily, with slow but gratifying progress. In my letter of April 29th I stated that we had covered the essentials of (1) population census with an electoral census based thereon; (2) inclusion of municipal judges in the judicial category, thus securing *ex-officio* presidents of municipal electoral boards by selection from judges of career; (3) other personnel of both permanent and temporary electoral boards; (4) the essentials of the registration and scrutiny; and that a drafting committee was engaged in writing the amendatory act in accordance with these more essential bases.

The progress of this drafting committee has been slow. There is always a great deal of discussion of the sufficiency of language to express an idea, but thus far we have proceeded with unanimous agreement.

In my letter of April 29th I gave you warning that a test of the attitude of the joint committee toward real electoral reform would come when I submitted for its consideration the project of the law for the judicial review of contested election cases. The complaint made by Dr. Alfredo Zayas, the unsuccessful candidate of the Liberal party for President in 1916, which complaint was presented for your consideration in his lengthy memorandum of March, 1917,[15] to the effect that Cuban courts were extremely technical in their consideration of electoral cases, manifested usually in the rejection of petitions for defects of form and in the narrow rules of evidence applied by them at the hearings,—was a just complaint. In the project drafted and submitted by me for the consideration of the joint committee, an effort was made to avoid this criticism, by provisions outlining the procedure to be followed, the rules of evidence to be applied, and the specific grounds on account of which the nullity of elections held in any particular college should be decreed by the courts. I am gratified to report that the project had been, during our recent sessions, most intelligently discussed by the members of the joint committee. Their amendments have been of a nature to make the statute more effective; and at a meeting held on the night of May 6th the project was unanimously approved.

Another matter which must be considered is the recommendation submitted on April 1st by the Committee of the *Camara*, that the

[15] Not printed.

new electoral law provide for a statutory organization and regulation of political parties. This subject has already been tentatively considered by our joint committee. During the discussion I suggested for the consideration of the committee, the advisability of providing by law that no nomination by a political party for the office of President or Vice President should be admitted to the official ballot unless made within the calendar year in which the election was to be held, and by assemblies or conventions newly constituted in their entirety within the same year for that purpose.—I argued that it was a necessary step to avoid prolonged electoral periods and the incidental disturbance to the economic life of the country; and further argued that it would be a most effective way to meet the public criticism here against what is called dictation of the two principal political parties in Cuba.

The assemblies of neither the Conservative nor Liberal parties have been renewed since 1914, and the partial renewal which they underwent in prior years did not introduce into the party management any new element of control. It thus happens that the men in each of these parties who were making nominations for national, provincial and municipal office in the 1908 elections have been making them in each succeeding electoral period and are in a position to make them today. I know of no measure that could be adopted that would go so far towards composing the political life of the country, than this one measure that I have suggested.

There can be no question but that the joint committee is with me on the proposition almost to a man. The trouble lies in the fact that both the Conservative and Liberal parties have called their conventions for this month and propose to make their nominations this month for the Presidential elections of 1920.

On Monday May 5th I talked over matters very fully with the President at his summer residence "El Chico". He went over with me the work of the joint committee and expressed himself as greatly pleased not only with the conclusions reached but the amount of work that we had succeeded in accomplishing. In the course of our conversation I spoke of the necessity for enacting a party statute, and outlined to him the bases of such a statute. He gave very hearty approval to the plan, saying that nothing of greater value in composing the political life of the country could be accomplished.

On the day following this interview *La Prensa*, an independent newspaper, carried the article herewith enclosed [16] and I am reliably informed that they obtained the information direct from President Menocal. On the same day a correspondent of the *New York Times* appears to have sent a despatch to his paper on the same subject,

[16] Not printed.

which despatch appeared in the issue of the *New York Times* of May 7th, and was telegraphed back to Cuba by Orestes Ferrara in the form of the enclosure herewith marked " B ".[17] In the last few days the papers of Cuba have given a great deal of space to this item of news.

My belief is that the Liberal Convention, attended only by delegates favoring the nomination of General José Miguel Gómez, will meet as planned, Saturday next (May 10th) and nominate the General for President. The Zayas delegates will probably refrain from attending. It is my belief also that on May 23rd the Conservative Convention will meet and nominate General Montalvo for President.

It is reasonably certain that the joint committee working with me on the electoral law will formally approve a party statute which will invalidate these two nominations; in which case a situation will arise upon which you may desire to give me further instructions. There can be no question in my mind of the great desirability of postponing these nominations until 1920.—The reasons for such postponement are too obvious to require statement. There is little doubt in my mind that the Congress of Cuba will ultimately enact such a statute if I recommend it and they are convinced that the Government of the United States is back of the recommendation.

The press discussion of this issue has been helpful and in no sense embarrassing to my work here. The people accept the issue raised as to these untimely nominations as convincing proof that we are working disinterestedly and are striking a blow at the dictation of party bosses about which there is so much complaint. If criticism comes it will be confined to the partisans of General José Miguel Gómez and General Montalvo who as I have said will be the nominees of the two conventions scheduled for this month. President Menocal shares with me the belief that a statute invalidating these early nominations can be enacted.

Very respectfully yours,

E. H. Crowder

837.00/1548: Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

Habana, *May 11, 1919, midnight.*
[*Received May 12, 4.11 a.m.*]

For Mr. Polk. Following sent after conference with General Crowder.

As reported by General Crowder in letter of May 8th which should reach you Monday morning the joint parliamentary com-

[17] Not printed.

mittee of eight members in conference with General Crowder has under consideration a provision of electoral law denying a place on the official ballot in 1920 Cuban elections to any ticket which is not nominated in that calendar year and by conventions newly constituted in their entirety during that year and for that special purpose. Discussion thus far indicates this provision will receive at least six votes in the joint committee and vote may be unanimous. This provision has been favorably discussed in Cuban press and is supported by President Menocal.

Notwithstanding this the National Liberal Convention whose membership has not been renewed since 1912 and then only partially renewed, met yesterday under call issued early part of April by Doctor Zayas president of the party and which he subsequently attempted to recall declaring convention would be illegal. The Zayas delegates with exception of three refrained from attending, there being a majority of one of provincial delegates and 9 out of 60 alternates present. By vote of 83 to 5 convention nominated Jose Miguel Gomez for President and Zayas for Vice President. There are strong indications Zayas will decline but his future course whether one of fusion with Conservatives or separate candidacy after nomination by what he will call regular Liberal Convention is uncertain.

It is reasonably assured that the Conservative Party whose convention is called for May 23rd will nominate on that date General Rafael Montalvo. While leaders of this party give much publicity to statement that convention has been totally renewed during April I am convinced this renewal was in name only and that membership of the national convention has not been materially altered. . . .

In view of the obvious advantages of postponing nominations until 1920 thus shortening the electoral period and reducing economic disturbances incident thereto and also to strengthen the position of General Crowder with the Cuban Congress I earnestly recommend, with the full concurrence of General Crowder, that he be instructed to insist strongly on the enactment of a law which will invalidate all nominations made in this calendar year and give recognition only to nominations made in the calendar year in which the election is to be held and then only when it has been shown that such nominations have been made by conventions newly constituted in the entirety within that year for that special purpose.

The joint committee meets again with General Crowder Monday night May 12th for considering this important law and it is important to have immediate reply.

GONZALES

837.00/1548 : Telegram

The Acting Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *May 13, 1919, 6 p.m.*

Your May 11, midnight. You may inform General Crowder that Department strongly advocates enactment of a law which will invalidate all nominations made in this calendar year. The Department is inclined to recognize only nominations made in the calendar year in which the election is held and then only when such nominations have been made by conventions newly constituted in the entirety within that year for that special purpose.

POLK

837.00/1550 : Telegram

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *May 16, 1919, 1 p.m.*
[*Received 3.35 p.m.*]

27. My May 11th, midnight. In a published address Rafael Montalvo who was expected to be nominated for President by Conservative convention this month announces that congressional committee is working with General Crowder on electoral reform law which country needs and as an elemental courtesy to General Crowder and Congress he advocates postponement of presidential nominations and asks friends to cease efforts for early convening of convention of Conservative Party.

GONZALES

837.00/1563

The Minister in Cuba (Gonzales) to the Acting Secretary of State

HABANA, *July 1, 1919.*
[*Received July 19.*]

SIR: For the Department's information, in accordance with circular instruction dated February 19, 1918,[18] I have the honor to transmit, herewith, Quarterly Report No. 2, giving a general outline of conditions here for the second quarter of the current year. This report was prepared by Secretary Williamson.

I have [etc.] WILLIAM E. GONZALES

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[18] Not printed.

[Enclosure—Extract]

Quarterly Report of the American Legation in Cuba

HABANA, *July 1, 1919.*

1. POLITICAL INFORMATION

A. DOMESTIC

(1) On May 10th the National Convention of the Liberal Party met in Habana for the purpose of nominating candidates for the elections of November 1920. Upon General José Miguel Gomez fell the choice for President while Doctor Zayas was named for the Vice-Presidency. The vote was 83 to 8, the preponderance in favor of General Gomez being enlarged by the fact that all but three Zayas members absented themselves from the meeting. Although the Convention was called at the behest of Doctor Zayas in April, he later attempted to prevent its gathering at this time, and in fact issued instructions to his supporters not to attend. He was apparently cognizant of the fact that under present conditions he could not hope to secure the nomination for the Presidency, and was unwilling to fill the place of secondary importance. This hypothesis was borne out the next day when Doctor Zayas refused to accept the candidacy for Vice President. The split between the two rivals is now so broad that it will be difficult to procure any sort of amalgamation between Miguelistas and Zayistas, and the possibility of the two leaders appearing on the same ticket is even more remote.

The Liberal Party held its Convention in spite of the agreement, which it could hardly have been unaware existed, between General Crowder and the Joint Congressional Committee which would invalidate tickets nominated before the calendar year of the elections. Although the Conservatives were to hold their party convention in May, Doctor Rafael Montalvo, whom it was expected they would nominate, requested his supporters to discontinue their political agitation for the time. Through his advocacy of the step the gathering was postponed until, it is to be assumed, 1920. Both parties to all appearances are now reconciled to waiting, notwithstanding such sporadic movements as the launching by the friends of General Emilio Nunez a short while ago of a quiet campaign in his behalf.

The resignation of Doctor Patterson, the Sub-secretary of State, was a disappointment to the Diplomatic Corps, as he was always deemed capable and showed a marked disposition to cooperate with

the foreign representatives on any subject which contained a common meeting point. His resignation is thought to be caused by disagreement over certain appointments.

In the light of Cuba's larger political history the work of General Crowder and his staff cannot fail to be regarded as epoch making. With the task nearing its completion a brief indication of the lines it has followed would not be inappropriate as a matter of record. The original undertaking for which the General came to Cuba, the Electoral Law, is still before the Joint Congressional Commission. Constructive and helpful criticism by that body is aiding the army staff in the final polishing of the law which has as its primary motive the providing of an active electoral register and the establishment of a system of honest elections. The Law should very shortly be ready for presentation to Congress as it has the hearty approval of the Committee.

The Ortiz Census Bill, in the amended form which General Crowder has drafted, provides for a Cuban Director and Sub-Director to be selected by the President from a list submitted by a National Board. The method of procedure of appointment as nearly as possible precludes "politics". To insure the efficient administration of its functions, the census machinery is to be guided by an American Advisor and six technical experts from the United States. This Bill has passed the House and in its original form the Senate, so that when the thirty days suspension of the Constitutional Guarantees has elapsed on the 11th of July it will go before the President with no obstacle to prevent its becoming law immediately. In this connection it is interesting to note that on the assumption of the bill's inclusion in the statutes and with the entire approval of President Menocal, Major Harold E. Stephenson has quietly opened offices and in the capacity of advisor has so far perfected the plans and arrangements that the actual work of taking the census may be initiated the moment the law receives its final signature.

General Crowder regards two amendments to the Judiciary Code as of almost equal importance to the larger work of his office. These alterations in the code as it now stands would first of all put Municipal Judges into the category of judges of career, an obviously important step, the more so now that under the new Electoral Law they are to be the tribunal before which election disputes are to be brought. Secondly the appointment of the municipal judiciary is to be safeguarded against political influence.

. . . . . .

837.00/1566 : Telegram

The Minister in Cuba (Gonzales) to the Secretary of State

HABANA, *August 8, 1919, 11 a.m.*
[*Received 2.32 p.m.*]

Following enactment by Congress of all election reform measures indorsed by him, General Crowder sailed last midnight for New York on board cruiser *Cuba* which is making trip for another purpose. The Cuban Congress voted thanks to Crowder and University of Habana bestowed degree.

GONZALES

837.00/2231

General Enoch H. Crowder to the Secretary of State

WASHINGTON, *August 30, 1919.*

SIR: In response to the invitation, transmitted by the American Minister through your Department, extended me by the President of Cuba "to advise and give the Government in Cuba the benefit of my experience in suggesting such amendments to the election laws as will meet the needs of the present and future", I have the honor to submit the following report:

I arrived in Havana March 18th, 1919, and commenced the investigation of the electoral administration with the advantage of an intimate knowledge of the existing electoral law derived from participation, as President of the Advisory Committee, in the framing of it and from supervising its initial application in the two elections held in the year 1908. During my investigation I was assisted by many of the eminent public men of Cuba and also by many prominent men in civil life without party affiliations. In the preparation of the Amendatory Act, copy of which is herewith enclosed and marked "Appendix A",[19] I was materially aided by a joint Parliamentary Committee which consisted of five senators and five representatives, including the President of the Senate and the Speaker of the House.

I have concluded that I can best present the general subject by first pointing out the agencies employed in the Electoral Administration and outlining the composition and duties of each. I shall follow this with a review of the various elections held from 1908 to 1918 inclusive, setting forth at some length the history of the biennial election of 1918 in Santa Clara Province, and then, by reference thereto, call attention to the conditions which existed in the five

[19] Not printed.

other provinces during the same electoral period; concluding by indicating the changes made upon my recommendation in the Electoral Code and related Acts of the Cuban Congress to safeguard, in so far as law can establish safeguards, the future electoral administration of Cuba.

Electoral Agencies—Composition and Duties of Each

The law promulgated by the United States Provisional Government of Cuba, upon the advice of the Advisory Commission, September 11, 1908, as amended by the Provisional Government in January of 1909, and as further amended by the Cuban Congress, committed the electoral administration to one Central, six Provincial, and one hundred and ten Municipal Boards, all *permanent* in character; and to two thousand two hundred and sixty-three College (precinct) Boards, *temporary* in character—that is, called into existence for the single purpose of conducting the elections at the various polling places and making the necessary returns. These boards have the territorial jurisdiction their names imply, the Central Board exercising the jurisdiction over the entire Republic, the six Provincial and the one hundred and ten Municipal Boards over the provinces and municipal districts to which they pertain, and the College Boards over the barrios and subdivisions thereof whose electoral lists have been certified to them by the corresponding Municipal Board. All these boards were linked together by an appellate procedure running from the lowest to the highest, with judicial review of their more important resolutions through appeals to the Courts. The offices of Presidents and members of all these boards and of their respective substitutes were honorary, gratuitous and obligatory (Art. 56). Attendance, except upon the part of substitutes duly warned by their principals that the latter will attend, and voting upon all matters submitted for resolution, were likewise obligatory (Art. 56).

More specifically, the composition and the important duties of the several electoral boards directly relating to the conduct of elections were as follows, commencing with the highest:

THE CENTRAL ELECTORAL BOARD

Composition: This board consisted of five members, the composition being:

1 *Ex-officio* President, The Chief Justice of the Supreme Court,
1 *Ex-officio* member, the Senior Associate Justice of the Habana Audiencia,

1 *Ex-officio* member, a Titular Professor of the University of Habana, designated by its faculty,
2 Political members, designated by the two political parties casting the largest and next largest vote for Representatives in Congress at the immediately preceding general elections.

"*Quo-warranto*" proceedings, to pass upon the legality of the appointments of political members of the Central Board under Article 22, were required to be considered and decided by the *ex-officio* members of said board.

Duties: The Administrative duties of the Central Electoral Board included:

(*a*) The issue of Election Proclamations for elections in which National officers were to be elected, or when questions of National interest were to be submitted *ad referendum* (Art. 32, Sec. I);

(*b*) The issue of printed instructions for the guidance of voters on election day in the matter of obtaining, marking, preparing and casting the official ballot (Art. 139);

(*c*) The issue, on its own motion or at the request of subordinate boards, of instructions and rules to facilitate the application of the Electoral Law (Art. 46);

(*d*) To furnish to Provincial and Municipal Boards blank electoral registers of all classes, blank poll-books, blank minute-books, blank oaths and affirmations, and all other forms provided; also official envelopes, printed copies of the Electoral Law, official stamps or seals, voting booths, guard rails and ballot boxes (Art. 38); and all models and special forms necessary in the execution of the Law (Art. 47);

(*e*) To make requisition upon the Secretary of Government for the police forces the board deems necessary to insure "the free exercise of the right of suffrage, the protection of election officials in the exercise of their duties, and the custody of election supplies and documents"; and suggest to the Secretary of Government instructions concerning the disposition on election day of the police forces which have not been requisitioned by the Board "with a view to conserving the free and unrestricted exercise of the right of suffrage under the Law" which the Secretary of Government must issue (Art. 160).

On the side of its appellate jurisdiction, the Central Board heard and determined:

(*a*) By *quo-warranto* proceeding, the right and authority of the President or Substitute-President of a Municipal Electoral Board, or any member, substitute member, or Secretary of any Municipal or Provincial Electoral Board, to discharge the duties of his office; and the *ex-officio* membership to hear and determine the qualifications of the political members of the Central Electoral Board (Art. 22). Decision final.

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(*b*) Appeals against the resolutions of a Provincial Electoral Board sitting as a canvassing board (Art. 200), with authority to decree the nullity of elections (Art. 202). Decision appealable to the Civil Chamber of the Supreme Court.

THE PROVINCIAL ELECTORAL BOARD

Composition: The Provincial Electoral Board was composed of five members as follows:

1 *Ex-officio* President, The Presiding Justice of the Provincial Audiencia,
1 *Ex-officio* member, the Senior Judge First Instance of Provincial Capital,
1 *Ex-officio* member, a Titular Professor of the Provincial Institute of Secondary Instruction, designated by the faculty,
2 Political members, designated by the two political parties casting the largest and next largest votes for representatives in the Province at the last preceding election (Art. 18).

The appointment or designation of any of these members, except the *Ex-officio* President, could be questioned by *quo-warranto* proceeding brought before the Central Board at any time.

Duties: The jurisdiction of the Provincial Board was both original and appellate. The former embraced the following:

(*a*) To issue Proclamations of elections in which Provincial officers were to be elected, or questions of Provincial interest were to be submitted *ad referendum* (Art. 32, Sec. II);

(*b*) To keep a card register of the electors of the entire Province arranged alphabetically by Municipalities and Barrios, as a check on the Municipal Register (Art. 97). To receive and pass upon certificates of nomination for the Provincial and National elective offices, and upon those received from the Municipal Boards for the Municipal offices (Arts. 100–105). Appeals could be taken to the Civil Chamber of the Audiencia, whose decision was final (Art. 114). At a later meeting the Provincial Board, in accordance with what was decided by said Civil Chamber, formed the official ballot, a true copy of which must be posted on the bulletin board (Art. 115). To have printed and distributed the official and the sample ballots (Art. 118). To receive, direct from the college boards, returns as to all Provincial and National elective offices, and all other records of the college boards necessary to the canvass, packed, sealed and forwarded by said boards with all necessary safe-guards (Arts. 179–180). To canvass these returns, which must begin within two days following election day and terminate within a period of fifteen days, unless an extension of this period was granted by the Central Electoral Board after considering the cause of the delay. The canvass was conducted in the usual place of meeting of the boards and the official candidates and delegates of political parties were entitled to be present. The sealed packages or envelopes containing returns

and other papers could be broken only in the presence of the electoral board, and after the condition of the covers and seals had been noted in the minutes (Arts. 186–7–8). To make a consolidated return for the entire Province and a return of candidates found to have been elected, both returns to be prepared in triplicate and signed by the President, Secretary and members of the board on every page under the certificate that the return is true and complete; one copy of each return being posted upon the bulletin board immediately, a second copy being forwarded to the Central Electoral Board and the third copy retained on file (Art. 195). To furnish, upon written request of any candidate, a certificate signed by the President and Secretary showing the consolidated vote for each candidate to the office for which the petitioner was a candidate (Art. 197). To declare the nullity of elections by reason of the number of excess ballots or other fraud (Art. 202). To receive and pass upon any exceptions taken to the procedure which any person present at the canvass might take (Art. 198). To allow appeals from its decisions as a canvassing board to the Central Electoral Board, which [*with?*] notice to the candidates of interest (Art. 200). To issue Certificates of Election to offices not affected by appeals, within three days following the expiration of the period for filing such appeals, and to offices that were affected by appeals within three days next following the receipt of the final decision rendered by the appellate board or court (Art. 206). To keep accurate minutes of all of its acts as a canvassing board.

On the side of its appellate jurisdiction, the Provincial Board heard and decided appeals:

(*a*) Against the resolutions of municipal boards, dividing or consolidating the barrios of the municipal district into electoral colleges (precincts), assigning electors thereto (the college registry list), and designating the polling places therein (Art. 53). Decision final.

(*b*) Against resolutions of the municipal boards appointing the President, two political members, watchers and clerks of each such college (Art. 53). Decision final.

(*c*) Against any resolution of the college electoral board respecting the scrutiny or canvass of votes within the college for provincial or national offices (Art. 202). Decision appealable to Central Electoral Board and thence to the Supreme Court.

(*d*) Against any resolution of the municipal board sitting as a canvassing board for municipal offices (Art. 200). Decision appealable to the Civil Chamber of the Audiencia (Art. 201).

THE MUNICIPAL ELECTORAL BOARD

Composition: The Municipal Electoral Board was composed of three members as follows:

1 *Ex-officio* President, The Senior Judge of the First Instance or Examination, if not required to serve on the Provincial Board: if not available for this reason—then the Correctional Judge of the Municipality; failing both these sources, then the Law authorizes an

Appointive President, appointed *by the President of the Provincial Audiencia* from among—

(*a*) The Judge, Ex-Judges or Substitute Judges of the Municipal Court, not identified with any political parties or independent groups;

otherwise from among—

(*b*) Persons of the highest standing in the community not so identified.

2 Political members, appointed respectively by the two political members of the Provincial Electoral Board (Art. 19).

In the application of the Law about two-thirds (in Pinar del Rio Province precisely two-thirds) of the Presidents of the Municipal Boards—ten out of fifteen—have been appointive. The legality or fairness of appointments of the appointive Presidents or members of the Municipal Boards or their respective substitutes, or of its Secretary, may be called in question before the Central Electoral Board by *quo-warranto* proceeding *filed at any time.*

Duties: These embraced matters of registration, receiving and forwarding certificates of nomination for Municipal office, designation of colleges, appointment of personnel of college boards including watchers and clerks, selection and equipment of polling places in the several barrios and subdivisions thereof, distribution of the election supplies to college boards, canvass of the returns of municipal elections, and the issuance of certificates of election to municipal officers. The duties having most direct relation to the honesty and fairness of elections were, of course, those pertaining—(*a*) to registration, and—(*b*) to the canvass of returns, which will be explained more in detail. (Art. 55).

(*a*) Registration. The permanent Register was made up from the population census taken by the United States Provisional Government in 1907. The schedules used by the house-to-house enumerators were designed so as to reveal electoral qualifications. When the enumeration was complete, it was easy to list the electors of each municipality and its constituent barrios. When this was done, the result constituted the Municipal Permanent Register, with the names alphabetically arranged by barrios, a card register being made up at the same time for the Provincial Board, inclusive of the electors of the province, arranged by municipalities and barrios, so as to be a check on the Municipal Register. It is conceded by nearly everyone whom I have examined that the original permanent registers and card registers sent to the first Municipal and Provincial Electoral Boards were as nearly accurate as it was possible to make them. Since that date the Municipal Boards have had the duty of keeping the register up to date by making the necessary inclusions and exclusions therein. For this and other purposes they held quarterly meetings, on the first business day of January, April, July and

October (Art. 85). Petitions for inclusion must be individual (Art. 79),—that is, no person has the right to apply for the registration of another as an elector (Art. 81), and must contain a statement of the age, race, nativity, conjugal status, occupation, residence, term of residence in the Province, Municipality and Barrio, respectively, ability to read and write, and possession of an academic or professional title (Art. 76). Residence for six months within the province, three [months within the] municipality, and one month within the Barrio immediately preceding the date of election is necessary, and must be established (Art. 78). It is also necessary that the petitioner shall specify where he was last registered, or that he has never theretofore been inscribed, and, in the case of prior registration, he must furnish certificates of exclusion from prior registry with the obligation in the case of a naturalized citizen, to furnish proof of naturalization (Art. 79). Petitions for inclusion and exclusion may be filed at any time, except during the last twenty-nine days preceding an election (Arts. 79–80), and were resolved at the quarterly meetings mentioned above (Art. 85). In addition these boards held meetings on the first Saturday following the issue of the Election Proclamation, and on each succeeding Saturday following the issue of the Election Proclamation for the purpose of acting on all pending applications (Art. 86), and six weeks prior to date of elections, met and remained in permanent session until this work was concluded (Art. 87). A *provisional* register was then made up with as many sections as there are barrios in the municipality, each barrio section being divided into two sub-sections, one of inclusion and the other of exclusion. On the fortieth day before the election, this provisional register must be posted on the bulletin board of the municipal board (Art. 88), and there was a second posting of each barrio section in the barrio to which it corresponded (Art. 88). On the thirtieth day preceding the election, the municipal board held a meeting before which any citizen could, in writing, present any petition relating to the right of registration. The board remained in open session during the entire day, received all petitions for inclusion, exclusion or correction that may have been filed prior to 6 P.M., after which time no further petitions, except appeals against their resolutions, were received. At this same public session, and at the closed sessions to be held thereafter upon the same and following day, the board finally resolved all pending petitions (Art. 88–89[20]). Appeals to the Civil Chamber of the corresponding Provincial Audiencia could be taken against all resolutions of the municipal board on these petitions, but no appeal after 10 A.M., of the twenty-sixth day previous to the election could be admitted (Art. 91). Two weeks prior to the election, the board met to correct the provisional register in accordance with the decisions of the Audiencia and its own resolutions. Each section of the provisional register was closed with the certificate of the President, members and Secretary that the entries prescribed by law have been lawfully made and the register was closed (Art. 92). The necessary entries were then made on the *permanent* register and on the tenth day preceding the election each

[20] Reference should include art. 90.

section of the permanent register was closed with a certificate to that effect and to the effect that all entries and cancellations prescribed by the law had been made, signed by the President, Secretary and members (Art. 93). Then followed in due course the preparation of the college register, transcribed from the corrected permanent register and likewise certified by the President, Secretary and members, that the electors inscribed therein had electoral rights and that the entries were made according to law (Art. 95).

(*b*) Canvass of Returns. Two days after the election, the municipal board met to canvass the returns for municipal officers forwarded by the college boards, which canvass was required to be completed within a period of eight days, but an extension of this period may be granted, after considering the cause of the delay, by the Central Board (Art. 186). There could be present at the canvass by the municipal board, which was required to be held at its usual place of meeting, the official candidates and also delegates of the political parties (Art. 187). The seals of packages transmitted by the college boards could be broken by the municipal board only after their condition had been noted in the minutes of the board, and only when said board was convened in session (Art. 188). The task of the board was to make a consolidated return of the college board returns. Ordinarily this required examination of the minutes, tally sheets and other papers, except the ballots, forwarded by the college electoral boards [Art. 189], but since the municipal elections were consolidated with the general elections (1910) this had not been possible for the reason that all such documents were required to be sent to the provincial board for use in the canvass by that board for provincial and national officers being simultaneously conducted. Upon the completion of the canvass of the various colleges which, under these conditions, was limited to a mere consolidation of the several returns of colleges there was prepared, in triplicate, a consolidated return of the vote of the entire municipality (Art. 189 [21]), and in addition thereto a return of candidates found to be elected was likewise prepared in triplicate, the President, Secretary and members of the board making the canvass signing every page, every copy of the return containing a certificate by them that the return was true and complete. One copy of each of these two returns was at once exposed on the bulletin board of the Municipality, another copy sent under sealed cover to the President of the Provincial Electoral Board and a third copy of both returns was retained with the records of the canvassing board (Art. 195). Upon the written request of any candidate, a certificate signed by the President and Secretary of the board making the canvass is delivered to him showing the consolidated vote for each candidate to the office for which the petitioner was a candidate (Art. 197). Any person, present at the canvass, could, during the progress thereof, indicate to the canvassing board any exceptions to the proceedings and the board passed upon such exceptions (Art. 198). The board issued certificates of election to the candidates found to be elected within three days next following the expiration of the period for filing appeals, and where appeals were filed within three days next following the receipt of the final decision

[21] Incorrect reference; should read "art. 195".

rendered by the appellate board or court as the case may be (Art. 206). Appeals from any resolution of the municipal canvassing board, respecting the canvass, could be taken *by any elector* to the provincial electoral board (Art. 200), and from any decision of the provincial electoral board upon any such resolution an appeal could be taken to the Civil Chamber of the Provincial Audiencia (Art. 201). The municipal board, sitting as a canvassing board, could decree the nullity of elections in one or more colleges, because of excess ballots or the perpetration of election frauds, and order a special election in said colleges (Art. 202); but of course this order could be appealed from, and usually was, in the manner above noted—first to the provincial board and thence to the Civil Chamber of the Audiencia.

Appellate procedure of the municipal board: The appellate procedure of the Municipal Board was limited to an appeal which any elector could present to that board against any resolution of a college electoral board respecting the scrutiny, but the appeal must have been filed with the municipal board before it had posted the consolidated return of the election in public place (Art. 199).

THE COLLEGE ELECTORAL BOARD

Composition: The College Board was appointed by the Municipal Board, and consisted of three members, as follows:

1 President, chosen by the unanimous vote of the Municipal Board from among the electors of the Municipality *having no political affiliations;* in the absence of a sufficient number of non-partisan electors, the remaining appointments were made by a majority vote of the municipal board, but with the restriction that they be distributed equitably between the two political parties or independent groups entitled to representatives on these college boards (Art. 52, Sec. 5[22]).

2 Political members, one was designated by each of the two political parties or independent groups of electors who may have nominated tickets, to be determined as follows:—In case but two complete tickets appeared upon the official ballot, each political party or independent group making such nomination could designate one of the political members; but if more than two complete tickets had been nominated preference was given to organized political parties in the order of the vote polled in the municipality, at the last preceding general election, by such parties for representative in Congress. The order of preference between representatives designated by independent groups nominating complete tickets was left to the decision of the municipal electoral board (Art. 52).

[22] Evidently refers to the fifth paragraph of art. 52.

Substitute Presidents and substitute members and clerks of college boards were chosen under a similar rule. The municipal board also appointed watchers within each college, one representative for each political party or independent group of electors having nominated a complete or partial ticket, provided these parties or independent groups designated a representative for such appointment (Art. 52). Presidents and their substitutes, members and their substitutes, clerks and watchers were required to be registered electors of the municipality and in full enjoyment of civil and political rights (Art. 51). From all resolutions of the municipal electoral board designating these colleges, assigning to each its registration list, appointing Presidents, members or their substitutes, or watchers, appeals could be taken to the corresponding provincial electoral board, whose decision was final (Art. 53).

Duties: As we have seen, the College Board had nothing to do with registration, except to receive from the municipal board its registration list. Although the college boards were required to be constituted by the municipal board not more than twenty-eight nor less than twenty-four days before the date of the election, this was for the sole purpose of the appeals which had been provided for against the resolutions of the municipal board constituting them. The duties of the college board proper begin not more than four nor less than two days prior to the date of the election with the visit its President was required to make to the Secretary of the municipal electoral board from whom he received the registration list corresponding to the college over which he presided and all other election supplies pertaining thereto; and by whom he and the clerk who accompanied him on the visit were fully instructed in their duties. These latter duties, which included balloting, challenging, keeping of poll-books, minute-books and tally sheets, the scrutiny and the preparation of election returns, were analagous to the procedure employed in the States of the Union, but were surrounded with many safe-guards which have not been deemed essential in any of our States (Chapters 10–11).

Appeals: Against any resolution of a college electoral board, any elector could present an appeal to the municipal board charged with canvassing the returns for Municipal officers and to the provincial board charged with canvassing the returns for provincial and national offices (Art. 199).

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Registration of Electors and Conduct of Elections—1908, 1910, 1912, 1914, 1916 and 1918

Under the Cuban Constitution and Electoral Laws, "All male Cubans over twenty-one years of age, inscribed in the Electoral Register, except—(1) those confined in asylums; (2) those mentally incapacitated, such incapacity having been judicially declared; (3) those judicially disqualified by reason of crime; and (4) members of the land and naval force in active service, and members of the Rural Guard, have a right to vote."

Mr. Victor H. Olmsted, director of the 1907 census, stated: "The preparation of the electoral lists was carried out very carefully and systematically, there having been drawn up a separate alphabetically arranged list for each barrio, of which there were 1069 in Cuba. All means and elements known that might contribute to exactness and rapidity in keeping the lists were employed, and the lists were tied together, bound and sent to the municipal electoral officials."

The 1907 census shows that the population of Cuba was then 2,048,980 and that there were 551,639 males or 26.9% twenty-one years of age and over. Of the 551,639 males there were 430,514 or 78% Cuban citizens, of whom 420,576 were qualified electors, the 9,938 being members of the armed forces and other persons born in Cuba who did not then have the right to vote. Hence, the qualified electors including the 9,938 were 21% of the entire population.

As the permanent Electoral Registers were made up during the first months of 1908, from the schedules prepared by the house-to-house census enumerators in October and November, 1907, there were very slight increases in the number of inscribed electors up to the time of the holding of the combined municipal and provincial elections on August 1, and the Presidential elections on December 1, 1908, both of which I supervised. About 57 per cent. of the inscribed electors in the Republic participated in these elections and the results were highly satisfactory with respect to the conduct of the election officials and the almost total absence of charges of fraud.

The increase in population and in the number of inscribed electors from 1910 up to 1918, inclusive, as shown by the Municipal Civil Registers, which were admittedly padded, and the Electoral Registers, were as follows:

1910,	population 2,232,130,	electors	476,189 or 21.3%
1912,	population 2,279,183,	electors	621,776 or 27.3%
1914,	population 2,468,950,	electors	697,448 or 28.2%
1916,	population 2,607,550,	electors	796,636 or 30.5%
1918,	population 2,803,123,	electors	1,239,582 or 44.2%

The official returns show that the following numbers or percentages of the inscribed electors actually appeared at the various polling places on the days of the elections and voted.

1910, electors 476,189, voted 215,423 or 45.24%;
1912, electors 621,776, voted 399,390 or 55.39%;[22]
1914, electors 697,448, voted 440,452 or 63.15%;
1916, electors 796,636, voted 353,002 or 44.31%
1918, electors 1,239,582, voted 700,440 or 56.51%

Biennial Election of 1918

The biennial election of 1918 (designated "off-year elections") was proclaimed by the Central Electoral Board and the Board's proclamation was republished by the six Provincial and the one hundred and ten Municipal Electoral Boards, in accordance with the provisions of Section IV, Article 32, of the Electoral Law. At this election were chosen Representatives in Congress, Provincial and Municipal Councilmen, members and substitute members of the Municipal Boards of Education, renewed in their one-half portion every two years.

No question arose during the electoral period of 1918 touching the constitution of the Central Electoral Board, the political members of which represented the Conservative Party and the Liberal Party.

SANTA CLARA PROVINCE

Constitution of electoral boards: In the last preceding general election of 1916, the two political parties casting the largest and next largest number of votes for Representatives were the Conservative Party and the Unionist Liberal Party (The Miguelista faction of the Liberal Party), and to these parties were assigned political membership on the Provincial Electoral Board. The political members of the Provincial Electoral Board appointed, each for his own party, the political members on the twenty-nine Municipal Electoral Boards in the Province.

The Provincial Electoral Board, as constituted in February, 1918, for the period ending on the first business day of February, 1919, was composed—(1) President, Benito J. R. Maribona, Chief Justice of the Audiencia; (2) Carlos Garcia Mendoza, Judge of the Court of First Instance; (3) Leandro Gonzalez Velez, Professor of the Provincial Institute; (4) Mario Ruiz Masa, political member of the Unionist Liberal Party; and (5) Mariano Rodriguez Mora, political member of the Conservative Party.

[22] If other figures are correct, percentage should be 64.24.

The president was absent from duty on leave from June 13 to September 11, 1918. His place was filled by Ramon Madrigal, senior associate member of the Audiencia. Judge Carlos Garcia Mendoza was relieved October 13, 1918, and assigned to duty with the Recruiting Commission. His place on the board was filled during the sessions held October 13, 14, and 15 by Juan Miranda Urquiza, the Municipal Judge. From October 19 to October 25, Mr. Miranda Urquiza was relieved by Mr. Garcia Lopez, acting Judge of Instruction. On November 3, Mr. Manuel Carnesoltas y Aguero, Judge of Instruction, was placed on the board and continued to act until February, 1919, relieving Mr. Miranda. On September 24, 1918, Mr. Leandro Gonzalez Velez was relieved on account of being a candidate and his place was filled by Mr. Frank Agramonte. On September 13, 1918, on account of his being a candidate, Mr. Mariano Ruiz Masa was relieved by Dr. Alfredo Herrara Belasco. On September 25, 1918, Mr. Mariano Rodriguez Mora, on account of his being a candidate, was relieved by Dr. Jose M. Ruiz Mayar.

Of the twenty-nine presidents of the municipal electoral boards as constituted for the same period, there were five Judges of First Instance, one Judge of Instruction, and twenty-three Municipal Judges. The five Judges of First Instance were relieved from duty as presidents of the boards and assigned to duty with Recruiting Commissions, one vacancy being filled by a Judge of Instruction. So that, during the electoral period of 1918, which began on the date of the election proclamation and terminated on the issuance of the temporary certificates to the candidates elected, one municipal electoral board was presided over by a Judge of Instruction, and one other a part of the time by a Judge of Instruction, the remainder of the time being divided between the Municipal Judge and a citizen of high standing, fourteen by Municipal Judges and thirteen by Municipal Judges and substitute Municipal Judges alternating.

Nominations: The Conservative Party, the Unionist Liberal Party and the Liberal Party filed their respective certificates of party nominations of national and provincial candidates with the secretary of the provincial electoral board for the biennial election held on November 1, 1918. The provincial electoral board approved, by resolution dated September 27, 1918, the certificates of each party as thus presented. The provincial Audiencia reversed, on appeal on October 7, 1918, the resolution of the provincial electoral board and held that the Liberal Party had no right, under the law and the facts, to file party nominations. A duly certified copy of the decision of the Audiencia reached the provincial electoral

board about October 9, 1918. The Liberal Party then obtained the required number of signatures and filed a certificate of nominations as an independent group. The official ballot was formed by the provincial electoral board in accordance with the provisions of Article 122 of the Electoral Law.

Registration: The municipal electoral boards were authorized to receive petitions for inclusion in and exclusion from municipal electoral registers at any time. Prior to the issuance of the proclamation calling an election, the municipal electoral boards met once a quarter, on the first day of January, April, July and October, for the purpose of passing upon such petitions as may have been received. After the date of the proclamation, the municipal electoral boards met weekly, or as often as may have been necessary, and continued to meet down to the twenty-ninth day before the date of the election.

According to the official records the total number of inscribed electors in the province at the close of the registration period, October 2, 1918, was 396,659 or 59.8% of the entire population for that year. The lowest percentage of any municipality was 34.4% and the highest was 85.7%. Three municipalities had over 35% but less than 40%; six had over 40% but less than 50%; five had over 50% but less than 60%; seven had over 60% but less than 70%; and six had over 70% but less than 80%.

All admit that almost two-thirds of the 396,659 inscribed electors represented imaginary or fictitious persons, knowingly and intentionally inscribed in the electoral registers pursuant to agreements previously made and entered into by and between certain designated political leaders and election officials. It is further admitted by all that the election officials, in inscribing these fictitious names in the electoral registers, carried out in form substantially every requirement of the law. As to the scope of the agreements and the methods employed in accomplishing these wholesale frauds, it might be well to permit the officials and political leaders to speak for themselves.[23]

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Conduct of elections, scrutinies and returns by college boards: . . .

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Practically every college board in the Province certified that its poll books showed the number of persons who actually voted; that its tally sheets contained a true exhibit of all the votes cast; and that its returns contained true and correct results of the election.

A representative of the Unionist Liberal Party appealed to the provincial electoral board from the primary scrutinies of each college board in twenty-two municipalities. The provincial electoral

[23] The omitted statements are summarized on p. 52.

board consolidated the appeals from each municipality and rendered twenty-two decisions, denying the relief sought in its entirety, Mr. Alfredo Barrera, the Unionist Liberal Party's member, not voting. Subsequently the board annulled the elections in two colleges but did not order special elections to be held therein. Appeals were taken to the Central Electoral Board and that board after consolidating the appeals, rendered one decision, likewise denying the relief sought, Justice Manuel R. Miyeres and Professor Enrique Herrera Cartaya dissenting. The case was carried to the Supreme Court and that court annulled the elections held in 305 colleges out of the 398 involved and ordered special elections to be held in the 305 colleges and also in the two colleges where the elections were annulled by the provincial electoral board.

The Supreme Court confined its investigation to an examination of the ballots and the returns made by the various colleges. A summary of the Court's essential findings of fact is as follows:

The ballots contained in the packages of 74 colleges have all been found in blank without any mark of voting. Also most all of the colleges in Sagua la Grande are in blank without any marks of voting. Many of the ballots lack the evidence of folding necessary for their insertion in the ballot boxes. The absence of the number of valid ballots which there ought to have been according to the returns of the boards from many colleges, and their substitution by other ballots in equal or different numbers, implies frauds which render the elections void. It appears from the poll books of a great number of the colleges in which the names of the voters are to be entered as they voted that these names are followed in the same numerical order with which they appear inscribed in the registers, either absolutely from the first to the last or by hundreds or parts thereof, which corroborates the frauds already referred to because it is improbable according to the rules of sound judgment that the voters by agreement or by chance voted in the strict order of their inscription in the registers. In one college, the voters almost in their entirety appeared in the poll books in the same order in which they are inscribed in the register which is an indication of fraud, such indication being completely proved by the fact that it is materially impossible for 2,775 voters, who appear as having voted in this college, [to have?] had time to do so in the eleven hours during which the voting lasted. Sufficient elements of proof do not exist to show that the frauds complained of in the 89 remaining colleges have been committed.

The records show that the total number of inscribed electors in the 91 colleges in which the Supreme Court found that the evidence failed to justify the annulment of the elections on the ground of fraud was 66,789.

And the official returns show that 200,872 or 50.64 per cent of the 396,695 inscribed electors in the Province voted at the 1918 November elections.

PINAR DEL RIO, MATANZAS, ORIENTE, HABANA, AND CAMAGUEY

The wholesale frauds and criminal practices were not confined to the Province of Santa Clara during the elections of 1918. They were carried out in a like manner in a varying degree in every municipality in each of the other five provinces. It is, therefore, unnecessary to quote the testimony of the witnesses upon this point. It is sufficient to call attention to certain specific and definite data shown by the official records.

The population in 1918, together with the number of inscribed electors in each of these five provinces, were:

Pinar del Rio, population 268,375, electors 159,328 or 59.4%;
Habana, population 681,894, electors 109,982 [23] or 28%;
Matanzas, population 303,601, electors 121,647 or 40.1%;
Camaguey, population 218,951, electors 87,317 or 29.9%; [24]
Oriente, population 666,654, electors 283,613 or 42.6%.

And the returns show that the following numbers or percentages of the inscribed electors actually appeared at the various polling places at the November, 1918, elections and voted:

Pinar del Rio, electors 159,328, voted 74,859 or 47.00%;
Habana, electors 190,982, voted 71,497 or 37.44%;
Matanzas, electors 121,647, voted 83,054 or 68.27%;
Camaguey, electors 87,317, voted 35,189 or 40.30%;
Oriente, electors 283,613, voted 234,969 or 82.85%;

The municipality of Candelaria in the Province of Pinar del Rio with a population of 9,234 had inscribed in 1918 in the electoral registers 25,820 electors. Mr. Octavia Rivero y Fiallo, a candidate on the National Conservative ticket, and Mr. Paulino Ruiz Pina, a candidate on the Liberal National ticket, each received at the November, 1918, election 25,766 votes in Candelaria for representative. Every elector was entitled to cast one vote each for six candidates, regardless of whether or not the six candidates appeared on the same party ticket.

ELECTORAL ADMINISTRATION IN GENERAL—EVIDENCE

The following prominent public men were carefully examined touching the electoral administration in general and their respective testimony is hereinafter set forth.[25]

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[23] In enumeration *infra*, this figure is 190,982.
[24] If other figures are correct, percentage should be 39.9.
[25] The omitted statements are summarized on p. 47.

Comment and Conclusions

That the foregoing evidence establishes beyond question the fact that the electoral administration of Cuba has been a complete failure, there is and can be no doubt. Every intent and purpose for which the machinery was created and set in motion in 1907 and 1908, were in the end thwarted, not so much on account of the inherent weakness of the law as such, but on account of the absolute disregard and narrow interpretation of its provisions by those charged with its execution. The principal causes will be noted in order to make clear the necessity for the changes, hereafter indicated, which have been made.

Elective and appointive officials: Under the law the qualified voters elect the mayors, the municipal councilmen, the members of the municipal boards of education, the provincial governors, the provincial councilmen and the representatives by direct vote. The President, Vice President and senators are, theoretically, elected by presidential and senatorial electors selected by the voters. All other officials are appointed. All elective officials hold office for four years, except the senators whose terms are eight years. Those affected by the rule of "Proportional Representation" are renewed in their one-half portion every two years and the senators are renewed in their one-half portion every four years. Each province has four senators, and one representative for each 25,000 or fraction over 12,500 of population. There are no congressional districts in the provinces. Each representative is elected by the entire province according to a system of proportional representation. All elections municipal, provincial and national, have been held at the same time since 1910.

Party dictation: The complaint against "party dictation" was universal and two-fold, emanating, first, from persons outside of the two national parties (Conservative Party and Liberal Party) who complained of the control these parties exercised, under the existing law, by reason of their voting membership on the electoral boards; and second, from persons within these two parties who complained that party nominations for elective offices were not the free choice of the voters of the respective parties because such nominations were made by assemblies or conventions which had not renewed their membership for long periods of years.

The first complaint was fully justified in as far as it related to the municipal and college boards and partially justified with respect to some of the provincial boards. The two parties gained very little, if any, advantage by reason of having voting members on the Central Electoral Board.

An investigation of the second complaint demonstrated that the principal parties are practically closed corporations and have been under the same management for many years.

In 1901 the two principal parties were known as the "National Party" and the "Republican Party." In 1905 the names of these parties were changed to "Moderate Party" and "Liberal Party", and in 1908 the "Moderate Party" became the "Conservative Party."

The governing bodies of these parties have heretofore been Barrio, Municipal, Provincial and National Assemblies, sometimes referred to as "Conventions."

The barrio assemblies consisted of the adherents of the party within the barrio who through committees registered the party adherents and maintained at all times an ex-committee [*sic*] organized by selecting a president, one or more vice-presidents, one or more secretaries, and a treasurer.

The Municipal Assemblies were composed of the delegates elected by the Barrio Assembly and certain *ex-officio* delegates, the latter being as a rule the mayor, the ex-mayors, and sometimes other municipal and ex-municipal officials. These assemblies nominated candidates for mayors, municipal councilmen and members of the Municipal Board of Education. These assemblies also elected from among their number a certain number of provincial delegates.

The Provincial Assemblies were composed of the delegates selected by the various Municipal Assemblies and certain *ex-officio* delegates, the latter being as a rule the governor, ex-governors, political members and ex-political members of the Provincial Electoral Board, provincial councilmen, ex-provincial councilmen and sometimes ex-representatives. These provincial assemblies nominated candidates for provincial governor, provincial councilmen, representatives, senators, senatorial electors, and presidential and vice-presidential electors, and also selected, as a rule, from among their membership, a certain number of delegates to the National Assemblies.

The National Assemblies were composed of delegates elected thereto by the Provincial Assemblies and certain *ex-officio* delegates, the latter being the senators, representatives and the political members on the Central Electoral Boards; in the conservative party also the president and vice-president of the Republic, ex-presidents and ex-vice-presidents, cabinet members, and ex-cabinet members. These assemblies nominated candidates for Presidents and Vice-Presidents of the Republic.

The *ex-officio* delegates of the Municipal, Provincial and National Assemblies constituted from thirty to forty per cent. of the entire membership of the respective assemblies.

When the assemblies were renewed in 1908, just a short time before the combined municipal and provincial elections were held, a large percentage of the entire strength of each of the National parties in the various barrios turned out and participated in the selection of the delegates to the Municipal Assemblies.

As to subsequent renewals, Dr. Dolz, who has been President of the Conservative National Party for about ten years, said: "In 1908, there was a complete renewal or reconstitution of the municipal assemblies. In 1912 and 1914, there were partial renewals, very few voters participating in the barrio elections to select the delegates to the Municipal Assemblies. In 1916 and 1918, there were no renewals and now, in 1919 there has been a complete renewal. The provincial assemblies are in the same condition with respect to the renewals as the municipal assemblies."

Dr. Zayas, the leader of the Liberal Party and that party's nominee for President in 1912 and 1916, in speaking of the renewals of the assemblies of his party, stated: "Our municipal assemblies were first constituted in 1908. Our party by-laws provide that the municipal and provincial assemblies may be renewed every two years, but may be extended for a longer period if the corresponding board of directors so decides. The membership of our party assemblies have been renewed only one time since 1908 and that was in 1911 or 1912. This system of making nominations by municipal, provincial and national assemblies was satisfactory at first but now those persons who are more serious do not wish to participate."

General Emilio Nunez, Vice-President of the Republic, states: "The political parties in Cuba have what might be called permanent assemblies. These assemblies are sometimes not renewed for many years."

Judge Landa, President of the Provincial Electoral Board of Pinar del Rio, had the following to say with respect to the party assemblies: "The municipal, provincial and National assemblies of the Liberal Party have not been changed, except by death, since 1908. The same men, except where one or more fail to be re-elected to Congress or where one or more have died, who were nominating candidates for municipal, provincial and National offices in 1908 are doing it today. The Conservative Party is now reorganizing (in 1919) and changing the personnel of its municipal, provincial and national assemblies."

Governor Guillermo Fernandez Mascaro of Oriente Province and the founder of the Provincial Liberal Party stated: "Political party organizations would not be so bad if the municipal assemblies would be renewed every election. The trouble is that after a municipal convention has been organized, it agrees to continue its organization

and the electors do not protest. I think that the assemblies of both the Conservative and Liberal Party in Oriente Province have not been changed since 1908, except the Conservative Party has just had a reorganization (in 1919)."

The Conservative Party and the Liberal Party are the only parties of prominence in Cuba and their assemblies have been essentially permanent in character and dominated by the office holders. This comparatively small number of men have been making all party nominations since 1908—" party dictation " absolute and complete.

It is true that a number of small provincial and municipal political parties have sprung up from time to time having been organized by a few would-be leaders of the National Parties. Some of these parties were formed as protests against " party dictation ", but more often for the purpose of bargaining with one or the other of the big parties. The Unionist Liberal Party of Santa Clara Province does not fall within this category.

Municipal and college electoral boards: The greatest and most extensive electoral frauds have centered in and around the municipal and college electoral boards—false registrations by the municipal boards and stuffing ballot boxes by the college boards. Here, I desire to take as a typical illustration of the nature of these frauds, treating them separately, the biennial elections held in the Province of Santa Clara on November 1, 1918.

As I have indicated, approximately 264,396 fictitious names appeared on the electoral registers in the Province at the close of the registration period of 1918, practically equally distributed among the twenty-nine municipalities according to their population. The question at once arises: For what purpose were these frauds committed? The answer calls for a review of the situation and a restatement of the pertinent provisions of the law and facts.

In 1914, the Liberal Party in the Province of Santa Clara split and formed two groups, headed by Eduardo Guzman and Carlos Mendieta, respectively. Each group presented a certificate of nominations using the same emblem but carrying different candidates. The provincial electoral board decided that the Guzman group was entitled to present nominations as a political party and that the Mendieta group must appear as an " independent group of electors." The Audiencia reversed on appeal this resolution of the provincial electoral board and held that the Mendieta group was the only one entitled to present nominations as an organized political party. The Mendieta group or " Unionist Liberty Party " had the membership on the College Electoral Boards during the 1914 elections. The Guzman group did not participate in these elections. The Guzman group, known as the Liberal Party in the Province, participated in

the 1916 elections but failed to obtain a greater number of votes than the Unionist Liberal Party. This gave the political membership on the provincial electoral board to the Unionist Liberal Party when the board was constituted in February, 1918, for the period ending in February, 1919. The other political member belonged to the Conservative Party.

Five of the twenty-nine municipal electoral boards, as constituted in February, 1918, for the period ending in February, 1919, were presided over by Judges of First Instance and twenty-four by municipal Judges but the judges of first instance were later relieved and assigned to duty with the Recruiting Commission. The false inscriptions began after the five Judges of First Instance had been relieved. No criticism has been urged against the action of the Government in thus relieving these five Judges.

The municipal electoral board being composed of a municipal Judge or substitute municipal Judge as president and two political members, one Conservative and one Unionist Liberal, with conflicting party interests, it is evident from the very nature of such interests that the false inscriptions could not have been carried through without an agreement between the two political members, concurred in by the president of the board and the political leaders, for otherwise the whole scheme could have been defeated by appeals to the Audiencia. The agreements were first made by the provincial and municipal leaders of the Conservative Party and the Unionist Liberal Party, the consideration being a division of the illegal votes on the day of the election between certain candidates of each ticket for representative and municipal councilman. These agreements as a rule were not in effect coextensive with the Province but were confined to the respective municipalities. (There is no territory in Cuba which is not incorporated within some municipality.) To illustrate: In the municipality of, let us say, "A", there resided two candidates for representative, one on the Conservative ticket and one on the Unionist Liberal ticket. As there were fourteen representatives to be voted for, each running over the entire Province and as under the system of "Proportional Representation" neither party could as a practical matter secure all of the fourteen seats, the two candidates in "A" being the political leaders of their respective parties agreed to have 30,000 fictitious names entered upon the electoral registers and to give to each one on the day of the election these 30,000 votes: Or if there resided but one candidate in "A" for representative, the leaders agreed to give the 30,000 votes to him while he in turn agreed to give the same votes to the candidates of the opposite party for municipal councilmen. The political members on the municipal electoral board

carried out these agreements without hesitation. The municipal Judge or the substitute municipal Judge as president of the board, being a political appointee and his judicial tenure of office depending upon the pleasure of the party in power, actively assisted in the registration of the fictitious names.

All knew that if the agreements were carried out on the day of the election the Conservative Party and the Unionist Liberal Party would have control of the electoral boards in the province during the presidential elections of 1920. This caused the National leaders to take a hand in the political affairs of the province after the close of the registration period on October 2, 1918. To understand the situation it is necessary to regress and review briefly the political history of the parties.

Jose Miguel Gomez, a Liberal, was elected President of the Republic in 1908. Dr. Alfredo Zayas, a Liberal, was nominated in 1912 for President. Due to a split in the Liberal Party and also it is alleged to the failure of Gomez actively to support Zayas, he, Zayas, was defeated by General Menocal, the conservative candidate. Zayas was again nominated in 1916 and again defeated by Menocal. Gomez led the Revolution which started in February, 1917, and which had for its object the overthrow of the Menocal Government. Gomez was captured, placed in jail and when released came to the States where he has since resided. Both Gomez and Zayas have been candidates for the Liberal Party nomination for President since the early part of 1918. While the Unionist Liberal Party (the Miguelista faction of the Liberal Party) is confined to Santa Clara Province, Gomez has a large following in the other five provinces.

It will be remembered that the decision of the provincial Audiencia, which declared that the Liberal Party (Zayista faction) had no right to present party nominations, was rendered on October 7, 1918, and reached the provincial electoral board two days later: that Judge Carlos Mendoza was relieved from duty on the Board by Juan Miranda Urquiza, municipal Judge on October 13; that Garcia Lopez, Acting Judge of Instruction, relieved Urquiza on October 19; and that Mr. Carnesoltas y Aguero, Judge of Instruction, was not placed on the Board until November 3.

This political maneuvering is said to have been the result of an agreement between the Conservative Party (the party in power) and the Zayista faction of the Liberal Party, in order to have a majority on the provincial electoral board which would resolve the appeals coming up from the municipal electoral boards in favor of the Zayistas, so that they would be entitled to membership on the college boards at the presidential elections to be held on November 1, 1920, and that in return the Conservative Party was to be given a

certain number of representatives in Congress from the province in the 1918 elections.

The facts and circumstances show beyond question that such an agreement was made, at least between the provincial party leaders, and there are strong indications that this agreement was participated in by the National leaders. In the first place, it was unnecessary to relieve Judge Carlos Garcia Mendoza at so late a date for the purpose of assigning him to duty with the Recruiting Commission. He was the senior Judge on duty in the Capital and there were other Judges of First Instance available for duty with the Commission. Again, it was the vote of Juan Miranda Urquiza which constituted the majority opinion in the resolution of the appeals touching the appointment of the members of the college boards in every municipality, except Trinidad. The decisions on the appeals from Trinidad were participated in by Garcia Lopez, his successor. The president of the provincial electoral board and the Unionist Liberal member declined to concur in these decisions. Evidently these two members felt bound to follow the decision of the Audiencia, which as we have seen, had decided that the Unionist Liberal Party and not the Liberal Party was entitled to membership on the College Electoral Boards, and this was the correct view as the Audiencia was the appellate tribunal with full jurisdiction to hear and determine the question. Furthermore, the Conservative Party elected ten, the Unionist Liberal Party one and the Liberal Party three representatives in Congress, according to the returns as made out by the election officials.

As the college electoral boards in twenty-two municipalities out of twenty-nine, as finally constituted for the elections of 1918, were composed of electors affiliated with the Conservative Party and the Liberal Party (Zayista faction) it became necessary for the provincial and municipal political leaders of the Conservative Party to cancel their agreements, with respect to the division of the illegal votes made available by the fictitious or false inscriptions, entered into with the Unionist Liberal Party's leaders and make new agreements of a like character with the leaders of the Zayista group or Liberal Party.

Upon this point Dr. Oscar Soto, Representative in Congress and Secretary of the Conservative Party's organization in the Province of Santa Clara, said: "At first, the Conservative Party agreed with the Unionist Liberal Party to increase the registrations. Afterwards, in view of the fact that the provincial electoral board would not give the Unionist Liberal Party membership on the college boards, the Conservative Party entered into an agreement with the Liberal Party for the purpose of the operations of the *refuerzo*."

The way the 1918 elections were conducted in Santa Clara Province is a matter of public knowledge. While the number of actual voters is variously estimated, I think it is safe to say that probably not more than 5% and certainly less than 20% of the legally inscribed electors went to the polls and voted. Referring to the testimony, it will be noted that Judge Adolpho Perez Ramo of the municipality of Lajas stated that he understood that by agreement the college boards in his town held the elections in a majority of the colleges on the day before election day; that the members of the college boards went to the voting places but there were no voters; that as there was an agreement, in respect to the local matters as well as the provincial elections, to hold the elections in this manner it was not necessary for the voters to go to the polls; and that about two voters for each college went to the polls out of curiosity. Judge Leopoldo Meruelo says that according to public opinion very few electors, if any, went to the polls to vote on November 1, 1918, in Cienfuegos, and that it was stated that the elections were held in the private house of Mr. Soto. Dr. Juan Leal Catala, in speaking of the elections in Cienfuegos, declares that in some of the colleges not a single elector went to the polls to vote, in others some six or eight voted.

The Spanish word "*refuerzo*" means "reinforcement", "aid", "succor." *Refuerzo* was applied in this manner: The municipal boards were required under the law to certify to the various college boards a list of inscribed electors corresponding to each college. For instance, Cienfuegos with forty-seven college boards had over 68,000 inscribed electors. This gave each college board about 1,450 electors. The college boards as a rule formally opened the elections at the respective polling places on the hour fixed by law and closed at 6 p.m. At the closing of the polls it was, of course, not difficult for the board to determine the number of votes which had been legally cast as well as the names of the voters. The board would note that it had the names of so many persons on the certified list who had not voted. It would then take a sufficient number of blank ballots so that the number of such blank ballots and the number of the electors who had actually voted would about equal the number of names on the certified list, mark the blank ballots in accordance with the agreements and count them accordingly. In some instances the college boards would not even mark the ballots as they had already figured out the distribution of the illegal ballots, and in many instances the boards would not attempt to place the ballots in the boxes. The boards in practically every case made out the returns in due form and certified to their correctness. These certificates were signed by the members of the boards and the clerks.

Hence, the gravity and extent of the frauds as well as the names and positions of the guilty officials are made clear. Each of the eighty-seven members, constituting the twenty-nine municipal electoral boards, of which twenty-nine were Judges, and the twenty-nine secretaries, knowingly, wilfully, and premeditatedly, and in pursuance of prearranged plans, participated in the commission of these criminal acts. Also, each of the one thousand three hundred and ninety-eight members composing the four hundred and sixty-six college boards and the nine hundred and thirty-two clerks, after taking an oath that he would perform the duties imposed upon him faithfully and in strict accordance with the law, proceeded to prepare and sign the required number, class and kind of official documents relating to the conduct and the result of the elections and then certified to their correctness with full knowledge that each of such documents was totally false. The men who formulated the plans for the commission of these frauds and engineered them through their different stages were leaders of the political parties and high office holders.

That the same kind and class of frauds, varying in degree only, were committed in every municipality in the five other provinces has not been questioned. With rare exceptions here and there, each of the two hundred and forty-three members, constituting the eighty-one municipal electoral boards in the five provinces, eighty-one of whom were likewise Judges, and the eighty-one secretaries, directly participated in the inscription of the large numbers of fictitious names in their respective electoral registers. Again, with rare exceptions here and there, each of the five thousand three hundred and ninety-one members who constituted the college electoral boards in 1918 in the five provinces as well as the three thousand five hundred and ninety-four clerks of said boards knowingly and wilfully participated in the stuffing of the ballot boxes and in the preparation of the false returns evidencing the result of the elections. These members and clerks of the college boards signed the returns and certified to their correctness knowing them to be totally false.

Contested elections—Legal provisions and interpretation thereof by the boards and courts: The provincial electoral boards, the Central Electoral Board, the Audiencias and the Civil Chamber of the Supreme Court had jurisdiction to hear and determine election contests. The boards were prohibited from opening the packages containing official ballots transmitted by the college electoral boards. The authority to open such packages was conferred upon the courts.

The only other express provision relating to the scope of the jurisdiction of the boards and the courts in respect to election contests was that found in Art. 202, providing that:

"When, by reason of the number of excess ballots, or of the perpetration of election frauds, the canvassing board shall find it impossible to determine which candidates should be declared elected to a given office or what declaration should be made of the result of a referendum, said canvassing board shall set aside the election as to such office or as to such referendum, in the colleges wherein such cause for nullity appears, and shall order a special election in said colleges."

Notwithstanding the fact that in several of the twenty-two municipalities, wherein the validity of the 1918 elections were drawn in question, the inscribed electors equalled 60 to 80% of the entire population and notwithstanding the further significant fact that a large percentage of the entire number of inscribed electors appeared from the returns to have actually voted, both the Provincial Electoral Board and the Central Electoral Board declined to set aside the elections on the ground of fraud. These boards limited their inquiry to an examination of the official returns for the sole purpose of determining whether or not such returns were made out in accordance with the provisions of the electoral law. The boards refused to go behind the returns and hear oral testimony touching the question whether or not there were any real elections held. The Civil Chamber of the Supreme Court took practically the same view except where an actual count of the ballots in the packages contradicted the returns.

As was stated in my report to the President of Cuba, dated May 9, 1919, a copy of which was handed to you some time ago,[25] the evidence shows conclusively that an extremely technical procedure and the application of narrow rules of evidence, neither having any proper place in the electoral jurisprudence, have operated so to restrict the inquiry of both boards and courts as to defeat, in many cases, an adequate review and a just decision on the merits. My examination of cases revealed many instances where petitions were rejected for mere defects of form, a familiar example being the failure to cite the proper article of the law infringed. I noted instances where the courts held that they could only pass upon questions which related to the provisions of the law actually cited; one case where the court deemed itself without authority to open packages of ballots, where it was alleged that approximately twenty ballots were improperly counted, on the ground that the allegation was not sufficiently exact as to whether the number of such ballots

[25] Not printed.

was greater or less than twenty, and therefore not indicating explicitly whether or not the error in the court was sufficient to affect the result. A case where a superior electoral board held that it could not properly consider a contest where the petition alleged that violence at the polls prevented the election from being an expression of the will of the electors, on the ground that its jurisdiction was limited strictly to cases of "excess of ballots" and the "perpetration of election frauds", and that violence on the part of others than the members of the board could not be regarded as fraud.

This narrow view of the intent and purpose of the electoral law was not confined to contested election cases. The evidence shows that learned Judges were of the opinion that they must be governed in all matters relating to the elections by the documents if made out in legal form. As an example, Judge Landa, President of the Provincial Audiencia and of the Provincial Electoral Board, held that he was required to have 40,000 ballots printed for the municipality of Candalaria when he knew that the total population of that town was less than 10,000. Judge Leopoldo Meruelo, President of the Municipal Electoral Board of Cienfuegos, after stating that he knew the lists of names presented for inscription were fraudulent, admitted that he would have voted to inscribe even 2,800,000 names if the petitions had been presented in due form.

Municipal judges: The municipal Judges and their substitutes were, as a general rule, purely political appointees, selected because they were deserving Conservatives or Liberals, depending upon the party in power. No other qualifications were required. They were not necessarily lawyers and their positions were not permanent.

Permanent electoral registers—Population census: It was evident that the permanent electoral registers made up in 1908 from the schedules of the house-to-house enumerators could not be used as a basis for future elections. Two courses were open, viz, the taking of a population census or providing for a voluntary registration before each election. After considerable discussion and investigation the former course was adopted. It was realized that, due to the total lack of interest on the part of the great mass of electors in the political affairs of the Country, very few would voluntarily go out and register. Again, the obtaining of a fair and honest voluntary registration was impossible without setting up an elaborate and complicated system.

The Remedy

I propose to point out under this heading the fundamental changes made in the electoral law and the essential features relating to electoral matters in the Judiciary Reorganization Act and the Law of Pardons.

I. THE NEW ELECTORAL CODE

Political parties: The organization and interior government of political parties in Cuba have not heretofore been regulated by statute. The necessity for such statutory provision in order to guarantee such adequate and frequent re-organization as to make the parties representative of their constituents, to permit the easy organization of new parties representing national opinion, and to provide that all nominations must be made in the calendar year in which the elections are to be held, by assemblies of the parties completely reorganized for the purpose, was apparent. One of the serious objections to the old system was the practice of nominating candidates for office, and especially for President, long periods in advance of the elections, a practice which has caused much dissatisfaction and tended to keep the country in constant agitation. An important chapter regulating the parties has, therefore, been added to the Electoral Code.

The Central Electoral Board is required to keep a register of political parties. The old political parties will be allowed to register in the present year and retain their character as such. In case they secured representatives to the House of Representatives in the last elections in not less than three provinces, they may register as national parties. If they obtained representatives in less than three provinces, they may register as provincial parties, and if they obtained only the election of municipal councilmen, they may register as municipal parties.

In order to cover a situation which is likely to arise, and which will most certainly arise during the present year, provision is made for the determination by adequate hearings of a contest in case two factions of a party attempt to register their factions as the party itself.

A very difficult problem to solve was the manner in which new parties should be allowed to organize. This was settled by providing that a group of electors not less than 20 when trying to form a municipal party, of 60 when trying to form a provincial party, and 100 when trying to form a national party might within a given time after the passage of the law petition the Central Electoral Board to be permitted to organize a new political party, presenting at the same time its platform, party emblem, provisional statutes, and its proposed executive committees. Upon approval by the Central Electoral Board, the group is then entitled to solicit electors to join their party. If the group obtains a number of electors equal to 5 per cent. of the total number of votes cast in the municipality for the office for mayor in the preceding election in the case of a municipal party, or 5 per cent. of the total number of votes cast in the province for

the office of governor, in the case of a provincial party, or 5 per cent. of the total number of votes cast for presidential electors in each one of three provinces, in the next preceding presidential election in the case of a national party, it is entitled to be registered as a political party. Special provision is made for the 1920 elections, making the requirement 3 per cent. of the total number of registered electors of the municipality, province, or three provinces, respectively, as determined by the official census of 1919. The Central Electoral Board on granting recognition to the group as a new party is to fix a period within which it shall proceed to hold elections in the barrios for delegates to the municipal assembly, and for the organization of provincial and national assemblies.

In lieu of the procedure above outlined, the group of electors may, if it obtains the approval of the Central Board at least thirty days before the date set for the reorganization of existing political parties, which will be explained later on, effect its organization and hold registration at the time when the organized parties hold their registrations, and if it obtains in this way the required number of electors it is entitled to be recognized as a political party.

Political parties are required to re-organize every two years and to conduct registrations of members every four years. Detailed provisions are made for the conduct of the registrations which extend over two weeks of the month of January preceding the election. Provision is made to prevent fraud and to permit the free registration of any elector in whichever party he chooses. The parties are required to show as the result of their registrations a number of electors equivalent to that stated above for the formation of new parties, in order to entitle them to continue as organized political parties.

The former scheme of assemblies or conventions is maintained. It provides for Barrio Assemblies of the electors of the respective barrios, and municipal, provincial and national delegate assemblies composed of elective and *ex-officio* delegates.

In February of election years, the electors of the respective parties in each barrio meet and choose delegates to the municipal assemblies. Here, as in the conduct of the registration, adequate provisions are made for the honest conduct of the voting and for contest in cases of alleged frauding. Barrio assemblies in addition to electing delegates to the municipal assemblies appoint an executive committee to take charge of the affairs of the party in the barrio, and are required to dissolve as soon as these functions have been completed.

The municipal assemblies are to consist of a specified number of delegates elected by direct vote of the barrio resident electors, and of the mayor and municipal councilmen affiliated with the respective parties as *ex-officio* delegates. These assemblies have power to nom-

inate candidates for municipal offices, to select delegates for the corresponding provincial assembly and to elect a municipal committee to direct the electoral campaign of the party within the municipality.

The provincial assemblies are to consist of a specified number of delegates elected by the municipal assemblies, and of the governor, provincial councilmen, senators and representatives of the province as *ex-officio* delegates, if affiliated with the party. These assemblies have power to nominate candidates for provincial offices, representatives, senatorial and presidential electors; to select delegates for the National Assembly to the number of twenty for each province, no member of the provincial assembly can vote for more than sixteen delegates to the National Assembly; and to elect a provincial committee to direct the electoral campaign of the party within the province.

The National Assembly is to be composed of the provincial delegates, and of the senators, representatives, ex-presidents of the Republic and ex-presidents of the National Assemblies affiliated with the party as *ex-officio* delegates. The National Assembly has the power to nominate candidates for President and Vice-President of the Republic and to elect a National committee to direct the electoral campaign of the party throughout the Nation.

Upon the accomplishment by the assemblies of the object for which they were constituted, they are dissolved by operation of law. Each assembly, however, is authorized to elect an executive committee to manage the party's interest until the convening of a new assembly.

A provision is made preventing the assemblies from validly holding sessions without the presence of a certain percentage of the elective members, in order to prevent domination by the *ex-officio* members.

No non-elective public official or employee, either national, provincial or municipal, is eligible for delegate to any assembly, except professors of educational institutions. Neither can persons with penal antecedents as defined in Art. 59 of the Code be delegates to political assemblies.

In addition to the provision of the chapter with regard to the organization of parties, independent groups of electors not organized into parties may make nomination by petition if they obtain the required number of signatures. This feature existed under the old law but provisions are inserted to prevent fraudulent signatures on the petitions.

Elections—National and partial: Every four years, beginning with the year of 1920, the President and Vice-President, one-half of the

senators and one-half of the representatives will be elected. Every four years, beginning with the year of 1922, one-half of the representatives and the provincial governors, provincial councilmen, municipal alcaldes, municipal councilmen and members of boards of education will be elected. This takes out of the presidential campaigns the excitement and political activity incident to the election of municipal and provincial officials.

Electoral boards: The permanent electoral boards have been so reconstituted that none of the representatives of the political parties on the boards shall have voting powers, although their interests are protected by giving them a full right to be heard, to have their opinions recorded and to make protests against the action of the board. The judicial members with power to vote are chosen by lot so as to eliminate appointment because of political inclinations. In this way the control of the boards by political parties and combinations has been eliminated. The domination of the political parties on the college electoral board has also been removed by preventing their participation in the selection of the voting members of the board.

Central electoral board: The Central Electoral Board will hereafter be composed of (1) a member of the Supreme Court of Justice; (2) an Associate Justice of the Audiencia of Havana; (3) a titular professor of the law faculty of the University of Havana who holds his position by competitive examination and who is not active in politics; and (4) one political member designated by each political party duly organized and one by each independent group of electors having the prescribed requisites.

The member of the Supreme Court of Justice who is to be president of the board and the Associate Justice of the Audiencia of Havana together with their respective substitutes are to be designated by lot by the Supreme Court and will hold office for two years. The professor is to be designated by the faculty and to hold office for two years. The political members are to be designated by the governing bodies of the political parties and independent groups of electors. Their terms of office depend upon the pleasure of their respective political parties and independent groups of electors.

Provincial electoral boards: Hereafter each provincial board will consist of (1) an Associate Justice of the Provincial Audiencia; (2) a Judge of First Instance, Instruction or Correctional, on duty in the Capital of the province; (3) a titular professor of the provincial Institute of Secondary Instruction who holds his position by competitive examination and is not active in politics; and (4) one political member designated by each duly organized political

party, and one designated by each independent group of electors having the prescribed requisites.

The Associate Justice of the Audiencia who is to be president of the board and the Judge of First Instance, Instruction or Correctional, as well as their respective substitutes are to be designated by lot. The professor and his substitute are to be selected by the Audiencia and hold office for two years. The political members are to be designated by the political parties and independent groups of electors and are to hold office during the pleasure of the party or independent group to which they belong.

Municipal electoral boards: Hereafter each municipal electoral board will be composed of (1) a president, and (2) the corresponding political members. The president of the board will be the municipal Judge in those municipalities where there are only one municipal Judge and his substitute is to be designated in accordance with the organic law of the Judiciary, and in those municipalities where there are more than one municipal Judge, the president of the board and his substitute are to be designated by lot from among the municipal Judges by the Provincial Audiencia. The duties of the municipal Judges on the Municipal Electoral Boards are to take precedence over all other official duties whether serving in their character as municipal Judge, or temporarily as substitute of another judge of career, or on any other commission. This will prevent the practice of placing the municipal Judge on special duty so as to substitute for him a less desirable person. A notary public will sit with the municipal electoral board during the scrutinies or primary canvass of the election returns. The political members are to be designated by the duly organized political parties and independent groups of electors having the legal requisites.

College electoral boards: Hereafter each college electoral board will consist of (1) a president; (2) two members; (3) political members; and (4) a secretary.

On a fixed day before the date upon which elections are to be held, the municipal electoral board is required to prepare a "presidents' list", a "members' list" and a "secretaries' list" of names containing four, ten, and four times, respectively, the number of colleges in the municipality. The names composing these lists must be selected from among the "larger tax-payers", professional men, school teachers, heads of families, presidents and secretaries of unions, presidents and secretaries of agriculture and working men's associations, who are able to read and write, who have no criminal records, and who are qualified electors. The lists thus prepared must be posted on the bulletin boards and in five other places in the municipality for five consecutive days. During the five days any

inscribed elector in the municipality may petition the municipal electoral board to exclude any name on either of the lists. The municipal electoral board must hear and determine these petitions and correct the lists accordingly. From the corrected presidents' list and secretaries' list the board will select a president and secretary, together with their respective substitutes, for each college board and assign by lot, the presidents thus selected, to their respective college boards. The party affiliation of the secretary of each college board must be different from that of the president of the college board.

On the termination of the process of selecting the presidents and secretaries of the various college boards and their assignment to their respective boards, the municipal electoral board must select the two voting members of each college board and their respective substitutes by lot, the process being carried out in this manner: Each name of the persons on the corrected members' list having been written on a small piece of paper and all having been placed in an opaque receptacle, thoroughly mixed by stirring, a person to be selected by the municipal electoral board from among those present, not in any way connected with the board, blindfolded draws out the names one at a time. The persons whose names appear on the first two papers drawn shall be the voting members of college board No. 1, the second two shall be the voting members of college board No. 2, and so on, until the membership of each college board is completed. The two substitute members of each college board are to be determined in the same manner by continuing the process of drawing. This drawing must take place in the presence of the public at a fixed hour.

The municipal electoral board is required to select two clerks for each college board from among persons with special qualifications.

Each duly organized political party and independent group of electors possessing the required qualifications [is] authorized to appoint one political member and one substitute political member for each electoral college. The political members thus appointed form an integral part of the college board, but have no right to vote upon any question.

After the complete personnel of each college board has been selected in the manner indicated, the municipal electoral board must forward without delay to the corresponding provincial electoral board the name of each person for confirmation. The provincial electoral board is required to publish, by municipalities, in the official organ of the province the name of each person constituting each college board.

Personnel of the electoral boards declared to be public officials: Presidents, members, political members, secretaries and clerks of

all electoral boards, as well as notaries of municipal electoral boards and inspectors "shall be considered public officials within the meaning of Art. 68 of the Constitution." The persons here named are, therefore, placed beyond the pardoning power of the President of the Republic for crimes committed in connection with official duties.

Division of barrios into precincts or colleges and assignment of electors thereto: On a fixed day before the date upon which an election is to be held each municipal electoral board is required to divide the barrios into electoral colleges or precincts and assign the inscribed electors to their respective colleges. There may not be assigned to any college more than four hundred registered electors. The relative time for assigning the electors to polling places has been changed so that the assignment of the electors does not take place until after the municipal registers have been closed and all illegal registrations removed from the registers. This will prevent the possibility of more than four hundred electors being assigned to one polling place. In the past the numbers, due to late and usually illegal registrations often ran into the thousands. The division into colleges and the assignment of electors thereto must be given wide publicity by the municipal electoral board and must be forwarded to the corresponding provincial electoral board for approval. The provincial electoral board is required to publish in the official organ of the province a list of the division into colleges of the barrios of each municipality, stating the number of inscribed electors assigned to each one and the exact location of each electoral college.

Registration of electors: The Cuban Congress has authorized the taking of a population census. The work is under way and will be sufficiently near completion by January 15, 1920, for all electoral purposes. The enumerators will be provided with books of duplicate voting cards, one of which is to be delivered to each elector and the other to remain in the book for purposes of record.

The cards given to the electors are each numbered in series so that no two electors receive cards of the same number and series. They often contain a personal description of the elector and must be presented at the polls in order to entitle him to vote.

The permanent registers will be made up by the Bureau of Census from the electors' duplicate voting cards. The registers are to be kept up to date by the process of inclusion and exclusion. It is true that the "old process", which was of a like character, failed to keep the registers pure. The additional safe-guards, which I shall point out, affords the most adequate protection against future abuses.

To be entitled to registration as an elector, the person whose inclusion or registration is sought must have resided in the province for three months, in the municipality for two months, and in the barrio

for one month immediately preceding the last day allowed for the presentation of petitions for registration or inclusion, which has been changed from 30 days to 120 days prior to the election. The petition for inclusion must be addressed to the municipal electoral board and must be personally presented to the board by the elector seeking inclusion. This makes it much more difficult to obtain a false registration, which was facilitated in the past by the fact that any one could apply for the registration of another with the result that frequently thousands of false petitions were presented by one man. No person has now the right to apply for the registration or inclusion of another as an elector. Each petition for inclusion must specifically set forth all of the facts required by the new Code.

Any citizen may petition the municipal electoral board for the exclusion of any name appearing on the electoral register.

It is the duty of the municipal electoral board to hear and determine all petitions for inclusion and exclusion, and an appeal will lie to the corresponding provincial electoral board from the resolution of the municipal electoral board disposing of such petitions.

When a municipal electoral board decrees the inclusion in the register of a petitioner, it is required to deliver to the interested party a voting card containing a personal description of the petitioner and to file a duplicate of the same with the records.

Adequate provision is made for the issuance of duplicate voting cards when it is properly shown that the original has been lost.

On the one hundred and ninth day preceding an election, each municipal electoral board is required to convene and prepare a summary, to be transmitted on the following day to the corresponding provincial board, containing the following statistical data arranged by barrios:

(*a*) The total citizen population according to the last decennial census;
(*b*) The total registration according to the last decennial census of population;
(*c*) The ratio between the total number of registered electors as fixed by the last decennial census of population, and the total citizen population according to said census, after subtracting from said total number of registered electors the difference between the number of exclusions since the taking of said census and the number of inclusions of electors who had previously been excluded for failure to vote;
(*d*) The total registration for the current year;
(*e*) The ratio between the total number of registered electors for the current elections and the total citizen population according to the last decennial census;
(*f*) The total registration for the last election;

(*g*) The total number of exclusions of registrants who have lost electoral capacity since the last election—(1) because of failure to vote at the last preceding election, (2) because of change of residence, (3) because of enlistment in the armed forces, (4) because of admission to asylums, (5) because of conviction of crime, (6) because of death, (7) for other reasons provided by law; referring in each case to the reports of various Executive Departments of the Government and of Judges of Courts required to be submitted;

(*h*) The total number of inclusions since the last preceding election—(1) all persons attaining majority, (2) all those who have changed residence, (3) all those electors who failed to vote at the last preceding election and have been reregistered, (4) for other reasons provided in the Code;

(*i*) The number of appeals filed to date—(1) against resolutions ordering inclusions, (2) against resolutions denying inclusions, (3) against resolutions ordering exclusions, (4) against resolutions denying exclusions;

(*j*) The number of duplicate voting cards issued to the respective electors, instead of the original, since the last election.

On the day on which the statistical summaries are forwarded to the provincial electoral board, the municipal electoral board is required to send certified copies thereof to the municipal assemblies of all political parties and to the principal newspapers desiring to publish same, to post copies on its bulletin board, in the office of the mayor and in the offices of the lieutenants of the various barrios.

The provincial electoral board is required, before the eightieth day preceding every election, to order the respective municipal electoral board to make corrections in their registers by striking off illegal registrations and those fraudulently made, and in case any municipal electoral board shall neglect or refuse to make such corrections, the provincial electoral board shall order the production of the registers and itself make the corrections after giving all interested parties an opportunity to be heard.

Whenever it shall appear from the statistical summaries submitted by the municipal electoral board, or from any other evidence in possession of the provincial electoral board, that the ratio between the total number of registered electors in any barrio and the total citizen population as fixed by the last decennial census, exceeds by more than 1% the ratio between the total number of registered electors as fixed by the last decennial census, less the excess of exclusions for failure to vote at the elections subsequent to the taking of said census over the inclusions of said persons subsequent to the taking of the said census,—and the total citizen population as shown by said census,—the provincial electoral board shall pro-

ceed to a thorough investigation and revision of the registers in the following manner:

(1) When the difference between the ratios above referred to is greater than one per cent. the provincial electoral board shall, after such investigation, direct the municipal electoral board to strike off the entries of all registrations which are shown to have been improperly made, and in case of necessity may order the municipal electoral board to produce the registers in order that the provincial electoral board may itself make the corrections.

(2) When the difference between the ratios above referred to is greater than three per cent. and the provincial electoral board after such investigation, is unable to reduce the difference in said ratios to less than three per cent. in the manner above provided, it shall order the elections to be held on the basis of the registration for the preceding election as amended by the exclusions made by the municipal electoral board subsequent thereto and adding the names of those electors who did not vote at the preceding election but who appear to have since been properly re-registered.

The provincial electoral board is required to prepare and send to the municipal electoral board revised copies of the summaries of statistical data and publish the same in two consecutive issues of the *Official Gazette* and the official organ of the province, as well as in two newspapers of general circulation throughout the province in three issues thereof at intervals of five days between insertions. The provincial electoral board is also required to furnish copies of the revised statistical summaries to all newspapers desiring to publish them. The municipal electoral boards are likewise required to give wide publicity to the summaries.

This elaborate system of reports and investigations of excessive registrations has a two-fold object (1) to enable the Provincial electoral boards to know at a glance the municipalities in which the registrations are above the normal ratio to population and consequently to take the necessary action to detect fraud, and (2) to require such publicity that everyone may know whether the registration in the municipalities has been conducted honestly. It is hoped that this feature will do much to cure the worst evil of the electoral administration—the padded registration lists.

After each presidential election the names of all electors who failed to vote are stricken from the registers and they are required to re-register to entitle them to vote at subsequent elections.

From the fortieth to the fifteenth day preceding an election the provincial electoral boards must send inspectors to all the municipal districts in their respective provinces to see that all electoral registers are properly made up and that the issue of all duplicate and subsequent voting cards is properly entered. The inspectors are

required to advise the provincial electoral boards of all irregularities and the latter are empowered to take the necessary steps to have the provisions of the new Code strictly complied with.

During the thirty days following the second election subsequent to the promulgation of the new Code, and quadrennially thereafter, each municipal electoral board is required to open a new permanent electoral register, transcribing thereto every uncancelled inscription contained in the old register. The inscriptions must be transcribed by barrios in alphabetical order of surnames, with new serial numbers beginning with one.

Election inspectors: Heretofore the electoral boards had had no independent means of obtaining information relating to the electoral administration. Therefore, a chapter on election inspectors was added and is now a part of the new Code. The inspectors are to be appointed by the provincial electoral boards and are to have authority to summon and examine witnesses under oath; require the production of books, papers, and documents, attend meetings of subordinate boards, and advise members to search out improper or fraudulent registrations; take appeals from decisions; and challenge voters at the polls. The election inspectors must be qualified electors and able to read and write. No inspector may be assigned to investigate any specific irregularity or fraud which is alleged to have been perpetrated by a member of his own political party. The provincial inspectors may be removed by the Central Electoral Board.

The Central Electoral Board is given power to investigate the operations of inferior boards by one of its own members or through inspectors appointed by it.

Official ballots: At the elections to be held on November 1, 1920, there will be chosen presidential, vice-presidential and senatorial electors, and one-half of the representatives, as well as provincial governors, mayors, and all provincial and municipal officers whose terms are about to expire, the latter to hold office for two years only. Thereafter, as hereinabove indicated, all elective officers will be elected at the National and Partial elections. Provisions are made in the new Code for a separate ballot of a distinct color to be used in voting for municipal officers. The two ballots, "Provincial" and "Municipal", will be deposited by the voters at the same time and in one ballot box.

Primary scrutiny by college boards—Refuerzo: Hereafter the polls are to open at 6 A.M. and must be closed at 3 P.M. on election day. As not more than four hundred inscribed electors may be assigned to any one college board it was considered that the time in-

dicated would be amply sufficient for each elector to vote. Immediately upon closing the polls at 3 P.M. the college board is required to begin the primary scrutiny or canvass. If the canvass is not completed, the returns duly made out, certified and signed by 12 o'clock at night on election day, the college board must replace the ballots in the ballot box together with all the documents pertaining to the election, lock and seal the ballot box and transmit it to the municipal electoral board which will complete the primary scrutiny or canvass.

The larger opportunities for the corrupt use of the *refuerzo* came, as I have said, through the padding of the electoral census with fictitious names and the printing of the corresponding large number of official ballots. While most adequate safe-guards against the padding of the electoral registers have been introduced, the number of electors regularly inscribed on the college register lists will always exceed the number of actual voters as shown by the poll books, a limited field remained in which the corrupt use of the *refuerzo* might be employed. This field is reduced to the minimum by providing that the primary scrutiny must be closed on or before 12 o'clock at night and must be public at all stages.

Provisions are made in the new Code for investigating, by provincial election inspectors, delays in the transmission of the ballot boxes in those cases where college boards do not complete the primary scrutiny on or before the time stated.

General canvass: Under the old law the provincial electoral board canvassed the returns for all offices, except those of the municipality, receiving the returns, ballots and documents direct from the several hundred college boards. The college boards sent to the municipal electoral boards only one copy of the returns evidencing the result of the elections for municipal offices. The concentration in provincial electoral boards of the duty of canvassing the returns from the numerous college boards in the province led to great delays in announcing the results and afforded many opportunities for the commission of frauds. It was obvious that if the duty of canvassing the returns from the various college boards in the province could be distributed among the municipal electoral boards, the work would be materially expedited and the opportunities for the commission of frauds would be greatly reduced. Therefore, the new Code directs that the general canvass be made by the municipal electoral boards for their respective municipalities aided by a notary public whose duty it is to attest the acts showing the result of the canvass. The municipal electoral board must complete the canvass, make a consolidated return in quadruplicate and publish the result within a specified time. This canvass must likewise be carried out publicly.

The duty in this respect of the provincial electoral board is thereby confined to consolidating the returns from the various municipal electoral boards.

Municipal electoral boards are empowered to annul, upon their own motion or at the instance of any interested party, the elections, with respect to municipal offices or municipal referendums, and order new elections when it appears conclusively, upon examination of the documents, except the official ballots, that any of the specific causes for nullity set forth in the Code exists. Provincial electoral boards are given the same power with respect to provincial and National offices.

Contested elections: Under the old law the procedure for contested elections was one of both administrative and judicial review. Appeals would lie from the resolutions of municipal canvassing boards, in case of municipal offices and municipal referendums, to the provincial electoral board, thence to the Civil Chamber of the Provincial Audiencia, whose decision was final; and from the resolutions of provincial electoral boards of canvass, in case of provincial and National offices and provincial and National referendums, to the Central Electoral Board and thence to the Civil Chamber of the Supreme Court, whose decision was final. The jurisdiction of the courts was wholly appellate. Owing to the technical construction placed upon the provisions of the law relating to the scope of the power of the boards and courts to inquire into election frauds, it was made clear that the new Code should speak explicitly to both canvassing boards and the courts, not only as to procedure and rules of evidence, but also as to the particular frauds which justify a decree of nullity, and in mandatory terms as to those frauds which render imperative a decree of nullity. Furthermore, it was made clear that the jurisdiction of the courts to be prompt and effective must be both original and appellate.

A thorough investigation of the electoral administration in Cuba during the last ten years led to the conclusion that the resolution of contested election cases, except as otherwise provided in Art. 55 of the Constitution, must ultimately rest with the judiciary. The new Code establishes a definite judicial procedure and liberal rules of evidence, thereby conferring upon the courts adequate authority and process for the ascertainment of all relative facts for the proper determination of all electoral disputes, whether the office or referendum in question be National, Provincial or Municipal. To the extent to which the courts respond and judicial process is respected and obeyed, the effect of these reforms will be certainty, finality and promptness in the disposition of election contests and stability in electoral administration.

After laying down the broad rule that the court shall decide all petitions for the annulment of elections on the merits without taking into consideration the fact that such petitions may be defective in form or that they have failed to state the articles of the Code which are considered infringed, the Code makes it the duty of the court to decree the nullity of the elections held in any college or colleges without the necessity of any further evidence whenever it shall be established either by documentary or parole evidence that any one of the fifteen specifically named and defined causes is found to exist. The inquiry of the courts, however, is not limited to the fifteen specific causes for nullity, but extends to all matters affecting the validity of any election. Full responsibility now rests upon the courts to protect the political rights of the people, and that without any excuse whatever for failure to do so.

Illegal electoral expenses or corrupt practices: Political parties and independent groups of electors were to a very limited extent recognized and defined in the old law. The new Code provides in detail for the organization of each and regulates their operations. No restrictions had ever been placed on electoral expenses and it was therefore decided to incorporate into the law a chapter dealing with corrupt practices. The laws of the various states were carefully studied and the provisions governing corrupt practices adapted to local conditions were included in the law.

In the first place, according to the usual custom, each party and independent group of electors is required to have a treasurer who must file a complete report of all expenses incurred and is held to a strict accounting for electoral funds.

Certain public officials and specified classes of corporations of a public nature are prohibited from contributing to campaign funds and the amounts which candidates, other persons and corporations may contribute to campaign funds are strictly limited.

The objects for which the parties may pay out money are specified, and include only the generally recognized legitimate election expenses which have met approval in the various states of the Union. Analogous restrictions are placed on public authorities—national, provincial and municipal in expanding list of employees during electoral period as explained in the next succeeding paragraph.

Limitation on the power to appoint employees: Much complaint has been made against the party in power with regard to the increase of temporary employees, not provided for in the budget, as the time for elections approach. For example, it is alleged and not denied that in the street cleaning department of Havana in the year 1916, an electoral year, the expenses for wages alone for the month of July was $5,182.00. This increased in the month of August

to over $7,000.00, in the month of September to over $50,000.00, and in October to over $150,000.00. The total budget of the department for all purposes for the entire year was $821,000.00, or a little over $68,500 per month. The monthly expenses for August were about $35,000 in excess of the average allowance for the month, and in September the expenses increased to over $157,000, and in October to over $255,000. The purpose of the increased expense for the employment of laborers is obvious.

To prevent the recurrence of situations of this nature, which are reported to occur generally as the time for elections approach, provisions were inserted in the law which should make it impossible to so increase the number of temporary employees. Public officers are prohibited from making appointments of officers and employees whether or not included in the budget, or of temporary employees during the electoral period and from increasing the audits for temporary employees, materials and incidentals. In case of urgent necessity offices and employments specifically provided for in the budget may be filled.

Publication in the *Official Gazette* of all officers and employees of the government, whether national, provincial, or municipal is required thirty days before the election proclamation. Officers charged with the accounting of funds and the payment of officers and employees are required, under penalty for failure to do so, to report for prosecution any violations of the law which they observe.

A penalty is provided for public officers who present charges against their subordinates during the electoral period without good legal cause. Penalties are also provided for public officers who suspend their subordinates or declare offices vacant without good cause.

II. THE JUDICIARY LAW

The new electoral code provides, as stated above, for Municipal Electoral Boards composed of municipal Judges of the respective head towns of the municipalities as presidents and political members appointed, one by each political party and one by each independent group of electors. As the political members have no voting power, the honest and efficient administration of the work of the board hinges upon the uprightness and ability of its president. It was, therefore, absolutely essential to provide for a president who would be as free as possible from political influence. In looking over the field for a class of officials who would fulfill the requirements, it was decided that the municipal Judge, if his appointment could be taken out of politics, and his tenure and chances for advancement made sufficiently secure to attract lawyers of ability to the office, would be

the best possible person to charge with the responsibility of the electoral administration in the municipality.

As supplementary to the new electoral code, which provides that the presidents of all the Municipal Electoral Boards shall be municipal Judges whose duties on the Electoral Boards are to take precedence over all other duties, I therefore recommended that a law be passed amending the judicial code so as to strengthen the office of municipal judge along the lines indicated. As a result a law was passed which in addition to making various amendments to the judiciary law which have no bearing on electoral administration assures the tenure and independence of the municipal judge. In the first place all municipal judgeships are declared vacant. The municipal judges are divided into four classes, the first three being located in municipal capitals, the division into classes depending on the importance of the locality. The fourth class includes only judges of the barrios or subordinate local divisions, and are appointed by the president. As they have no electoral functions no further mention of them will be made.

The judiciary in Cuba, from the Supreme Court down, is arranged in classes or categories and promotion from one category to another is the rule, so that when a lawyer has once become a judge of career, as it is styled, he has an opportunity for advancement in the judicial scale as far as the Supreme Court. The municipal judges to secure their tenure were, therefore, placed in the judicial categories and made judges of career. This was done by placing those of the first-class, which include only the judges of Havana, in the present eighth category along with judges of higher rank but of less important jurisdictions. The municipal judges of the second class which include the judges located in the capitals of the provinces and a few other important towns were put in the ninth category which, prior to the enactment of the present law was the lowest category and consequently included the least important judges of the rank above municipal judge. For the third class judges which include those in about 90 municipalities a new category, the tenth, was created. Municipal judges therefore have now a standing which they never had before. To add to their importance the salaries have been increased so that municipal judges of the first class now receive $4375 a year, those of the second class $3250, and the third class $2400.

It is believed that the system of appointment of municipal judges will practically remove them from political influence so far as their office is concerned.

Municipal judges of the third class or tenth category are appointed as the result of examinations given by a board composed of three

judges of the Supreme Court and two judges of the Audiencia of Havana. Beginning with the present year examinations must be held every two years for enough persons to fill twice the number of vacancies. The candidates are graded on a scale of 100 and listed in the order of the percentage given them. Ten points are allowed for length of practice as a lawyer, ten for experience in the administration of justice, ten for standing in the University and merits of books published, and the remaining points for the merits of the examination. Appointments must be made by the President in the order the successful candidates appear on the list.

The municipal judges of all three classes are to be chosen in the manner above outlined in the present year to fill all the vacancies created by the law. For subsequent vacancies judges of the second class or ninth category are to be appointed by the President from lists of three judges of the third class chosen by the Judges of the Chamber of Administration of the Supreme Court. In like manner judges of the first class are to be appointed from lists of three judges of the ninth category.

By so strengthening the positions of the municipal judges, in addition to depriving the political members of their vote, political influence should now be reduced to a minimum in the municipal electoral boards.

III. LAW OF PARDONS

In studying the Cuban electoral situation, it developed that the penal provisions of the electoral law were practically ineffective due to two causes: (1) a failure to prosecute political offenders and (2) the readiness of the executive to pardon, and Congress to grant amnesty to political offenders. In addition to this there was noticed a marked increase in the number of pardons for offenses in general granted as the time for election approached, presumably for political purposes. As these facts are admitted and the danger in allowing unlimited pardoning power in the President is generally recognized and conceded, no testimony on this point was reduced to writing or included in this report.

Nothing could be done to limit the power of Congress to grant amnesties as its power is granted by the tenth paragraph of Article 57 [*59*] of the constitution. It was provided in the Electoral Code, however, that an amnesty granted to an offender who had penal antecedents, as defined in Art. 57 [*59*] of the Code, would not qualify him to exercise any office created by the code, so that now an amnesty to have that effect must, when granted by Congress, specifically state so. The power of the president, however, is limited by Paragraph 15 of Art. 65 [*68*] of the Constitution, which provides "He shall have the right to pardon criminals *in accordance*

with the provisions of the law, except public officers, who may have been convicted of crimes committed in the performance of their duties."

Any doubt as to the power of the President to pardon election officers has been effectively removed, as pointed out in another part of this report, by providing specifically that they shall be regarded [as] public officers within the meaning of the paragraph of Article 65 [*68*] of the constitution above quoted. There remained, however, the great number of offenders outside this class, the pardoning of whom tends to impair the efficiency of electoral administration.

In order to control and regulate the power of the President, I recommended and Congress passed a law providing for a thorough investigation of the merits of applications for pardons, the inclusion in the decree of all the essential facts of the report on the investigation, and the publication of all decrees in a manner which will advise the public of the number of pardons granted and the circumstances of the cases.

Petitions for pardons must be addressed to the President through the sentencing court and the Secretary of Justice and be accompanied by a report from the Chief of the Penal Institution in which the convict is serving sentence, with regard to his conduct. A report must also be made by the sentencing court after consulting the prosecuting attorney and the injured party, if there be one. This report must include the age, conjugal state and profession of the convict, his fortune, his character and past record, together with the aggravating or extenuating circumstances of the crime, the length of time the convict had been confined awaiting sentence, the portion of the sentence served, whether or not he has shown evidences of repentance, whether the crime has prejudiced the rights of a third party, and any other data which might tend toward a better understanding of the facts. The report is required to conclude with the recommendation of the proper action to be taken. All of the papers are required to pass through the Secretary of Justice to the President.

In order to grant an absolute pardon it must be shown that the convict has either satisfied all pecuniary obligations in connection with his conviction or that he is insolvent, that he has completed at least one-fourth of his term and that he satisfies certain other requirements with regard to age, dependency or character.

The decree of pardon must contain:

(1) The serial number of the pardon indicating the number of previous pardons granted in the same year.
(2) A copy of the facts proved and the final sentence.
(3) A statement of the portion of the sentence completed, where, and when the convict commenced to serve sentence.
(4) A statement of the penal conduct of the offender.

(5) The report of the sentencing court.
(6) A statement as to whether the injured party, if any, opposed the granting of the pardon.
(7) The names of the persons recommending the pardon, if any.
(8) Date of previous petitions denied.
(9) Date and circumstances of any previous pardon granted.
(10) Statement of the circumstances which in the judgment of the Secretary of Justice or Council of Secretaries warrant the granting of the pardon.
(11) A recital as to whether the requirements of the law have been complied with.
(12) A statement that the pardon is granted and its class and conditions.

It is provided that decrees shall be published in the *Official Gazette*, in the numerical order of their issue, and that they shall not be effective until three days after their publication.

The sentencing court is required to execute the pardon, but only if all the provisions of the law have been complied with.

No pardon may be granted if an application has been acted on within the previous six months for the same or other offense.

If the law is complied with, it should be a guarantee that convicts are pardoned on their merits and not as political favor, or in order to permit them to commit electoral offenses for the benefit of the party in power.

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SUGGESTIONS FOR THE INFORMATION OF THE AMERICAN MINISTER

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In the light of these legal principles and historical facts I venture to suggest a measure of supervision over electoral administration by our Legation. Having shown that parity of elections is the controlling factor in the maintenance of stable government, can not the Minister, by close application, keep in touch with the electoral administration and, without intermeddling or giving offense to the Cuban Government call the attention of that Government to any evasion or violation of the new Electoral Code at the time and advise the authorities to correct the evils in their incipiency? I think he may and, in accordance with this view, I venture to suggest further that the Minister's attention be especially directed to the following basic principles, incorporated in the new Code, which I consider of vital importance in the just administration of the Law:

1. The reorganization of political parties from the bottom up.

(*a*) Wide publicity should be given to the elections called for the purpose of electing barrio delegates to municipal assemblies.

(*b*) All adherents of the various political parties should be encouraged to turn out and actively participate in these elections.

(*c*) It should be fully understood that new barrio elections must be held prior to every general election for the purpose of selecting a new set of barrio delegates which will constitute the new municipal assembly.

(*d*) A wholesome public conscience in favor of honest elections must have its origin in the barrios.

2. In the organization of municipal, provincial and national assemblies, the number of *ex-officio* delegates should not be increased beyond that fixed by law so as to again place the control in the hands of the office-holders. It will not be difficult for the Minister to obtain accurate information in this respect.

3. The constitution of the permanent electoral boards, in respect of the voting membership, is specifically determined in the new Code. The position of the political members are not permanent in character. In view of the fact that no elector " with a criminal record " is eligible for membership on any board, the Minister should keep himself fully advised as to the previous records of such members. The college boards being so numerous and of so much importance the Minister should keep in close touch with the process of the selection of the members and especially that part relating to the publication of the names of the entire personnel of each college board.

4. After the permanent electoral registers have been prepared from the data obtained from the schedules of the house-to-house enumerators, the process of keeping them up-to-date by means of inclusions and exclusions will be again used, I fear, for the commission of frauds on a large scale unless strict supervision over the boards is exercised. There will be available for the information of the Minister on the publication of the population census, the population of each municipality at the beginning of the year of 1920 and the number of qualified electors therein, as well as the percentage of the latter to the former. The elections of 1920 will be held on November 1 of that year and there should be published in the *Official Gazette* at least eighty days before that election the exact number of inscribed electors in each municipality. From this information the percentage of increases in the number of inscribed electors over that shown by the population census can be readily ascertained. Should these increases be excessive, the course to be pursued by the provincial electoral boards is clearly marked out in the Code. It is upon this branch of the electoral administration that the Minister's work can be most effective. Should he find from an examination of the *Official Gazette* that any municipal electoral board had padded the electoral registers, ample opportunity is afforded him to make the proper representation to the Government to have the electoral registers corrected. The importance of this matter cannot be over-

estimated and the Minister should certainly spare no effort in preventing the registration of fictitious names.

5. Heretofore large numbers of inscribed electors have been assigned to each college board in many municipalities, which resulted in the commission of frauds on a large scale. Under the new Code the electors must be assigned to the colleges subsequent to the close of the registration period. The corresponding provincial electoral board is required to publish in the official organ of the Province the exact number of inscribed electors, which may not be more than four hundred, assigned to each college. By examining the various provincial organs, the Minister can readily ascertain whether the boards have complied with the law in this respect, and if not he may request attention to notable omissions and errors in time to permit of remedial action.

6. As the time for elections approached, the employees of the National, Provincial and Municipal Governments were greatly increased for political purposes resulting in the unnecessary expenditure of large sums of public money. This vicious practice is now expressly prohibited and the new Code requires the publication in the *Official Gazette* of all officers and employees at least thirty days before the promulgation of the election proclamation, and any resumption of this practice which discredits to such a great degree the electoral administration will, it is believed, furnish a proper occasion for the intervention of the Minister.

7. Municipal Judges who are to be presidents of municipal electoral boards must be appointed by the President of the Republic of Cuba in the order the successful candidates appear on the eligible list as the result of an examination conducted by a board composed of three justices of the Supreme Court and two judges of the Audiencia of Havana. The list of successful candidates will be available for the information of the Minister in case any attempt is made for political purposes to evade the law touching the method of appointment.

8. The penal provisions of the old law have been practically ineffective because (1) of the failure to prosecute political offenders, and (2) the readiness of the executive to pardon them. In addition to this there has been a marked increase in the number of pardons for offenses in general granted as the time for elections approached, evidently for political purposes. In order to control and regulate the power of the President in this respect, I recommended and Congress passed a law providing for a thorough investigation of the merits of applications for pardons. The decree of every pardon must now contain the information set forth in another part of this report and must be published in the *Official Gazette* before such decrees become

effective. The Minister, by availing himself of the information contained in the *Official Gazette*, will be in a position to call the attention of the State Department and the Cuban Government to any abuses or attempted abuses of these provisions of the law of pardons.

An English copy of the new Electoral Code, marked Exhibit A,[25] the testimony taken during the investigation, marked Exhibit B,[25] and an Electoral Calendar, marked Exhibit C,[25] are made integral parts of this report for the information of all concerned.

Very respectfully,

E. H. Crowder
Major-General, U.S. Army

837.00/1581a : Telegram

The Acting Secretary of State to the Minister in Cuba (Gonzales)

Washington, *October 23, 1919, 5 p.m.*

The Secretary of State has given personal consideration to General Crowder's recent report describing the procedure under the revised Electoral Code of Cuba. It appears that there are many important steps to be taken preliminary to the introduction of the Electoral period of 1920. Principal among them are (1) the recognition and reorganization of existing political parties and the organization and recognition of new political parties under the new party statute; (2) the reorganization of the *ex-officio* electoral boards with party representation thereon; (3) the reconstitution of municipal, provincial and national party assemblies through the barrio primaries to be held the first three weeks of January; (4) the reestablishment of the permanent electoral registers on the basis of the census now being taken, supplemented by the corrective action of electoral boards; (5) promulgation of proper regulations by the central electoral board in aid of the execution of the new electoral code. It would seem that the Cuban Government's ability to hold fair elections in 1920 depends to a very great degree on adequate safeguards of these essential preliminary steps and particularly (1) the conduct of the barrio primaries which will determine the control of the party assemblies and (2) the promulgation by the Central Electoral Board of adequate regulations under the new code which, to be effective, should even now be in an advanced state of preparation.

Dr. Fernando Ortiz, who claims to represent the Liberal Party, recently conferred informally with Mr. Boaz Long, stating that his party desires supervision of the next elections. I was not disposed

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[25] Not printed.

to receive Dr. Ortiz for obvious reasons, but it is understood that further steps may be taken by his branch of the Liberal Party if the Department does not decide what its attitude will be with respect to approaching elections.

It would appear that pressure will be brought to bear which will make it necessary that the coming elections in Cuba be supervised by some authority acceptable to the majority of Cubans. It would appear further that there is no way to escape some such supervision, without the alternative of facing serious political disturbances or a condition equally serious, as a result of failure to supervise.

In these circumstances and in view of the fact that there is a sufficient lack of confidence in Menocal's ability, though none whatever in his intent, to guarantee free elections which would be satisfactory to all right-thinking Cubans, would it not be well for him to take the initiative by asking that supervision be undertaken by the United States, or by providing for adequate administration by Cuban agencies under supervision of General Crowder.

Cuba, in order to prevent a repetition of past election abuses, invited General Crowder to write a new electoral law. The leading political parties concurred in this invitation. What would be more natural than for Cuba to invite General Crowder (who is now thought to enjoy, as he long has done, the confidence of the majority of Cubans) to interpret and apply the new law. This supervision it is believed could be made effective through the Cuban agencies prescribed by the new law. While the Liberals seem to desire that the United States supervise, it is thought that administration by these Cuban agencies under General Crowder would be generally satisfactory and acceptable to the Liberal Party.

General Crowder is about to retire from the Army and to enter upon the practice of law, in which connection it should be remarked that he has offers of very substantial retainers. If his services are to be had at all, they should be arranged for without loss of time, and an appropriate invitation setting forth his adaptability for such service should be sent at once, if he is desired.

You are not to interpret the Department's willingness to try Cuban supervision under General Crowder as an indication that there is a disposition on the part of our Government authorities to shirk any responsibility that might be held to apply under the Platt Amendment; but that it is rather another effort to help Cuba to solve her own problems in what would seem to be the simplest way.

The Department recognizes the difficulty of your adopting a vigorous attitude before Menocal on the eve of your departure, yet it feels called upon to request that you do so by presenting to him in a forceful manner the Department's impression that alertness

to the possibilities of maladministration and to the dangers ahead require adequate advance preparations to be made to supervise and safeguard each progressive step in the electoral program so as to disarm all just criticism.

It is therefore hoped that this suggestion may be acted upon without delay.

Failure on the part of Cuba to hold elections under the new electoral code which will command the confidence of the people for their fairness and disarm all just criticism is fraught with dangers too obvious to require statement.

PHILLIPS

837.00/1590

The Minister in Cuba (Gonzales) to the Secretary of State

No. 1103 HABANA, *November 7, 1919.*
[*Received November 11.*]

SIR: In further reference to the Department's cabled instructions of October 23, 9:47 [5] p.m., and in amplification of my cable of November 5, 2:00 p.m.,[26] I have the honor to report that on October 29th, I saw President Menocal and presented to him a memorandum embracing the sense of the instructions. When it appeared evident that the President would persist in opposing intervention in either of the forms proposed, I urged as a substitute which might meet the requirements that he extend to General Crowder an invitation to come to Cuba and witness the manner in which the electoral laws he had taken such a large part in drafting were put into effect. General Menocal replied that he would have been willing to do this but for the fact that Fernando Ortiz, who had gone to Washington as the representative of Candidate Gomez, had already publicly announced that General Crowder was coming to Cuba to supervise the elections, and that should General Crowder come here in any capacity, the Gomez faction would herald the fact as supervision of elections by the United States, and as a rebuke by the United States to his (Menocal's) administration and as support of the José Miguel Gomez faction.

The President stated that he had no personal interests in the coming elections; that he was trying to help Cuba; that Gomez and his lieutenants were lawless, selfish and responsible for the crimes of disorder and revolution and that any act which could be construed into an endorsement of that element would more than nullify the great good results to Cuba and the United States from

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[26] Not printed.

the defeat of the revolution of 1917—that defeat having been a long step toward stable government. He would welcome observation by the Legation, newspaper correspondents or secret agents, but he would retire from office before consenting to the humiliation to his administration of supervision of elections.

. . . . . .

I felt certain in advance that the President would not consent to the measures proposed. That was the forecast by the reply [26] sent to the Department's cabled instructions of January 15; 6 p.m.[27] It must be observed, however, that while the Cuban Government declined to comply with the terms of those instructions in the form presented, every wish of our Government as to the reform of the electoral laws and the taking of the census has been met. I must observe also, and it is important in this connection, that to my understanding, the cabled instructions of January 15, 6 p.m. do not accurately represent the ideas presented by the Acting Secretary of State in the conference I held with him on January tenth last. Mr. Polk told me the supervision of elections in Cuba was the last thing the Department desired, but on account of repeated allegations of frauds in elections and the insistent demands upon the Department for action, something would have to be done to insure a substantial degree of integrity in future elections—that was an obligation upon the Department. He felt that this end could be accomplished through the cooperation of General Crowder with the Cuban Government, and he desired me to obtain from General Menocal an invitation to General Crowder to come to Cuba and assist in drafting proper laws. He expressly stated that the Department left the details of accomplishing this end entirely with me. And that was accomplished after the declination of the requests made in the instructions of January 15, 6 p.m., which were sent while I was at sea . . .

That there should be a new census and an iron-clad election law, prepared under the direction of General Crowder, was what the Acting Secretary of State desired in January last, and as to that I fully concurred. That has been accomplished.

At no time have I concurred in the desirability of supervising elections. My view is positive that if Cuba cannot hold fairly honest elections under the new electoral laws, it would be much preferable frankly to take over the Government for a long period and institute the many reforms possible under such conditions, than to undertake the doubtful, endless and thankless task of guaranteeing honest elections. That form of invasion of sovereignty promises little for the future of this country.

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[26] *Ante*, p. 2. [27] *Ante*, p. 1.

I do not know what representations Dr. Ortiz has made in Washington, but he cannot lay honest claim to be the spokesman for the Liberal Party. Whether Dr. Zayas or Pino Guerra . . . is the president of that party is to be determined by the courts within the next few weeks. If Zayas is sustained he will be the party's spokesman; if he is not sustained the Zayasistas, who constitute the body of the Liberal party in Havana Province, will probably abandon the remnant and go by themselves or make new alignments. And already the Gomez-Ferrara Liberal Party of 1916 has been deserted by Varona Suarez, present mayor of Havana, and General Asbert, the latter having considerable following, who organized the Union-Liberal Party. Neither this offshoot from the Liberals nor Doctor Zayas' following have indorsed the petition of the Gomez faction for supervision of elections.

While uninformed as to the specific grounds upon which the Gomez-Ferrara-Ortiz faction appeal to the tribunal of the United States for an injunction against the Government of Cuba holding an unsupervised election under the newly created laws, I assume they do so on the ground that there were gross frauds in the presidential election of 1916 from which they suffered. But in order to justify a request that our Government undertake so grave an office and subject itself to the risk of criticism by Latin America, these people should come into court with clean or comparatively clean hands.

The new census figures show, what all the world knew, that frauds were committed and they show with equal certainty that it was a contest between the two parties as to which could stuff more fraudulent votes into the ballot boxes. There were, according to my recollection, more than a million ballots counted in the 1916 presidential elections (there were seven hundred thousand cast in the congressional elections last year) and the new census shows there are 452,000 Cubans of voting age. The party of Dr. Ortiz claims to have polled a considerable majority of the votes cast in 1916, and be that true or not they polled more votes by thousands than there are men in Cuba! And Dr. Ortiz has publicly alleged that the army was used to prevent the voters of his party from going to the polls. While neither Dr. Zayas nor Dr. Ferrara supported this allegation, it would be interesting to surmise how many more votes than the population of Cuba would have been cast by Dr. Ortiz' party had there been a "free" ballot!

I do not for a moment palliate the obvious frauds of the Conservative Party in these elections. The conditions of the then laws and the then inflated polling lists invited ballot box stuffing and both parties participated, but I do feel that the endorsers of the known political morals of José Miguel Gomez and the instigators of and participators in two revolutions—the last one made *before*

the final and deciding elections could be held and causing destruction of many millions of American property, are not the proper spokesmen for the Cuban people nor the ones who should assume the role of demanding that the Cuban political house be set in order along lines which they dictate. Their lightly veiled threat that revolution would follow elections in the result of which they might not be satisfied would be well met, in my opinion, by the declaration that while the United States Government would continue earnest efforts to secure fair elections in Cuba, revolution as a remedy for real or alleged frauds would not be tolerated, and as it is well known that political leaders and not the people of Cuba make the revolutions, those leaders would be held responsible. I see only failure in compromising with or attempting to placate representatives of disorder.

It is my firm conviction that the agitation for supervision of elections in Cuba was undertaken and is being persisted in as the only means of justifying the destructive revolution of 1917, as the only way of obtaining from the United States Government a practical acknowledgment of error in supporting the Cuban Government against the revolutionists, and also as the certain means of securing a boom for the presidential aspirations of José Miguel Gomez.

I have [etc.] WILLIAM E. GONZALES

837.00/1595 : Telegram

The Minister in Cuba (Gonzales) to the Secretary of State

HABANA, *November 25, 1919, 1 p.m.*
[*Received 11.30 p.m.*]

The Junta Central electoral college has declared the assembly, presided over by Pino Guerra, represents the Liberal Party. Doctor Zayas issues a statement calling on his friends and adherents to be calm, saying that he will now appeal to the Supreme Court. He will have other remedies which he is resolved to exercise. This means the separation of the Zayas following from the Liberal Party.

GONZALES

837.00/1583

The Secretary of State to the Minister in Cuba (Gonzales)

No. 892 WASHINGTON, *December 1, 1919.*

SIR: I beg to refer you to the Department's telegram of October 23, 5 p.m., and to your despatch, No. 1103, dated November 7, both of which relate to the enforcement, in the approaching elections, of the Election Law recently enacted in Cuba. You may hand to President Menocal a memorandum reading as follows:

The Department of State of the United States has received with pleasure the assurances of President Menocal that the Election Law recently enacted in Cuba would be carried out not only to the letter but in the spirit in which it was drafted. The Department is gratified to have President Menocal's assurance that he is fully cognizant of the responsibility which he assumes in the effective carrying out of the provisions of the Election Law.

The Department is especially desirous that the Government of Cuba receive no false impression with respect to the position of General Crowder, and therefore it wished to assure President Menocal that General Crowder was not advised in advance as to the precise text of the Department's instruction of October 23rd, 5 p.m., but when informed of the nature of President Menocal's reply, expressed the hope that Cuba would find the new electoral law helpful. The General was pleased also that it would be unnecessary for him to proceed to Cuba in connection with the approaching elections.

I am [etc.] ROBERT LANSING

837.00/1596 : Telegram

The Minister in Cuba (Gonzales) to the Secretary of State

HABANA, *December 4, 1919, 1 p.m.*
[*Received 6.47 p.m.*]

Liberal press continues agitation by assertions that elections will be supervised. A statement respecting Department's attitude might be beneficial.

GONZALES

837.00/1596 : Telegram

The Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *December 8, 1919, 1 p.m.*

Your December 4, 1 p.m.

Department desires outline of suggested statement which, in view of Department's present attitude, would not be construed as injuring any political party.

LANSING

837.00/1595 : Telegram

The Secretary of State to the Minister in Cuba (Gonzales)

WASHINGTON, *December 10, 1919, 5 p.m.*

Press despatch from Havana printed in New York *Sun* today states that you have issued a statement to the effect that United States Government would not supervise the coming elections in Cuba.

In view of the fact that you asked instructions of the Department in this matter which were issued in Department's telegram of December 8, 1 p.m., I am reluctant to believe that this press report is accurate.

LANSING

837.00/1603

The Minister in Cuba (Gonzales) to the Secretary of State

No. 1129 HABANA, *December 11, 1919.*
[*Received December 16.*]

SIR: I have the honor to transmit herewith copy of a statement given to the press upon receipt of Department's instruction No. 892, of December 1, 1919. This statement has not been published by the *Heraldo de Cuba*, which had been most active in the publication of the matter denied.

I have [etc.] WILLIAM E. GONZALES

[Enclosure]

Statement Given to the Press in Habana by the American Minister (Gonzales), December 8, 1919

While I am not disposed to make denial of baseless rumors in reference to the relations between the United States and Cuba, and may generally rely upon the good sense of the people to determine what is fictitious, the continued declarations of political personages and certain newspapers that the United States Government has determined to supervise elections in Cuba and that General Crowder is on his way to supervise the elections for party organization next month, impel me to announce that such statements and reports are entirely without foundation.

The United States Government will observe with solicitous yet hopeful interest the application by the Cuban people next month of their new Electoral Laws, which, fortified by the new Census, were devised by them for the accomplishment of a great purpose, necessary to the welfare of any country.

WILLIAM E. GONZALES

CZECHOSLOVAKIA

DIPLOMATIC REPRESENTATION

Appointment of an American Minister to Czechoslovakia, April 23, 1919,[1] and of a Czechoslovak Chargé d'Affaires

123C853/–: Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *April 15, 1919, 9 p.m.*
[*Received 9.14 p.m.*]

1627. For Richard Crane.

President has authorized me to tender you appointment as Minister to Czecho-Slovak Republic. You have as you know my warmest congratulations and my personal confidence in your success if you accept the appointment to so difficult a post. Please telegraph immediately your acceptance and how soon can you leave to enter upon your duties. The situation demands the presence of an American Minister at the earliest possible date. Lansing.

AM[ERICAN] MISSION

123C853/1a: Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *April 18, 1919, 5 p.m.*

1630. For Lansing: Please convey to the President my sincere appreciation of the honor he has conferred in tendering me the appointment as Minister to Czecho-Slovak Republic and inform the President that I accept. It will be difficult for me to arrange my affairs in less than ten days. Whatever qualifications I have for this post have been developed by my association with you and your confidence in my ability has materially helped me in coming to a decision. Crane.

POLK

123C853/6b: Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *April 23, 1919, 3 p.m.*

1701. Crane took oath today. Understand he will be commissioned in Paris. Letter of credence will be prepared here and

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[1] This date has been fixed by the Department of State as that of the recognition of Czechoslovakia (File No. 800.01/13a).

brought over by him for signature. Telegraph as soon as commission is signed so passport as Minister may be issued.

POLK

123C853/15 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *undated.*
[*Received June 4, 1919, 7.32 a.m.*]

2402. From Prague.

"[3.] June 2 [*3?*], 10 a.m. Presented copy of letter of credence to Acting Minister for Foreign Affairs yesterday morning. He informed me that they wished to make a special ceremony my formal presentation to the President. It will take a week to arrange this. French at present have Minister Resident, British and Italians have Charge d'Affaires. The only full Minister is from Jugo-Slavia. Germans, Viennese and Ukrainians have *de facto* representatives. Would appreciate information as to why Allied countries have not sent full ministers here. If I am formally presented as Minister, before other colleagues, who have been here many months my position as regards precedence may cause embarrassment. Would appreciate instructions on this point. Believe Czech Government [perplexed] by this situation or may be using it as a means of expediting appointment of ministers by Allies. Unless otherwise advised will deal informally with the various Ministries and foreign representatives pending formal presentation. Repeat Secretary of State. ["]

AMERICAN MISSION

123C853/15 : Telegram

The Acting Secretary of State to the Minister in Czechoslovakia (Crane)

WASHINGTON, *June 6, 1919, 4 p.m.*

Your June 2 [*3?*], 10 a.m.[2]

Department has no knowledge why other foreign governments have not as yet appointed full ministers but is asking Embassies London and Paris to ascertain informally and confidentially when full ministers will be appointed from Gt. Britain and France. The Department perceives no particular embarrassment in your position as regards precedence because of the fact that the American Government has been the first to appoint a full minister to Prague.

POLK

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[2] *Supra.*

123C853/30

The Minister in Czechoslovakia (Crane) to the Acting Secretary of State

No. 1 PRAGUE, *June 15, 1919.*
[*Received August 7.*]

SIR: I have the honor to report that I arrived in Prague on May 29 last at one-thirty in the afternoon. (Please see my telegram No. 1 of that date [3]).

As the Department is aware, the only staff that came with me to Prague was Colonel Sherman Miles, acting Military Attaché, and Mr. Lyle Alverson, appointed Legation Assistant. On account of his previous experience in Legations, Colonel Miles was able to advise me on many diplomatic matters.

Before my arrival I fortunately received a telegram from Consul Wallace Young here, announcing that a delegation would meet me at the Wilson Station, Prague, so that I was partially prepared for a reception. As soon as the train stopped a military band commenced to play the "Star Spangled Banner." I was escorted to the waiting room of the station between lines of troops, and was greeted there, on behalf of the Czecho-Slovak Government, by Professor Karel Domin, head of the Foreigners' Bureau, Dr. Joseph Scheiner, Inspector-General of the Czecho-Slovak armies, and Mr. John Masaryk, son of the President of the Republic of Czecho-Slovakia. In the waiting room I was also met by Consul Young and Captain Frank Jedlicka, now Assistant Military Attaché.

Outside the station, the street for several blocks was lined with men and women in national costume, and an escort of Sokols accompanied me to the President's Palace where Colonel Miles and I had lunch with the President and his family.

After luncheon the President was scheduled for a conference with Dr. Alois Rasin and Dr. Adolph Stransky, who had shortly before, at the request of the leaders of the Young Czech party, tendered their resignations from the cabinet as ministers of finance and commerce, respectively, as a protest against the demonstrations reported by Consul Young in his despatch number seventeen of May 31.[3] The President seemed to be considerably agitated, which was probably due to the fact that I had arrived just after the disturbances and at the time of the resignations, and which he seemed to fear would produce an unfavorable effect upon me.

After luncheon Colonel Miles and I were taken to our quarters in the Palace of the Archbishop of Prague, presumably as guests of the Government. We were met, however, at the door of the palace

[3] Not printed.

by a representative of the Archbishop, who extended an invitation on the latter's behalf to be his guests in the palace. The Archbishop's servants are still at the palace, the Archbishop himself being in Switzerland and it is not considered likely that he will return to Prague. A new Archbishop more national in his sympathies will be probably elected, but as the attitude of the Church in affairs in Czecho-Slovakia is not determined, it will be some time before this takes place.

Mr. John Masaryk, the son of the President, who is an old friend of mine, having been for some time connected with the Crane Company in Bridgeport, Connecticut, was extremely helpful in making the necessary arrangements in connection with my living accommodations, and also in arranging informally my presentation to the various officers of the government.

On May 30, 1919, I addressed a letter to the Minister of Foreign Affairs asking for an interview in order to place in his hands a copy of my letter of credence.

I was informed that during the absence of Dr. Edward Benes in Paris, Mr. Anthony Svehla, Minister of the Interior in the present cabinet, had the portfolio of Minister for Foreign Affairs, although Dr. Frederick Stepanek bore the title of Ministerial Counsellor and discharged the functions of the office.

As reported in my telegram number three of June 3, 1919,[5] I had an audience with Dr. Stepanek on June 2, Colonel Miles accompanying me. Dr. Stepanek, speaking in French, first brought up the matter of my formal presentation to the President, which he said would take some time to arrange as the government wished to make it an impressive ceremony, and wanted a delay of a week or two in order that the necessary arrangements might be made. I told him that I would suit the convenience of his government in this respect but that I had expected to present my letter of credence to the President shortly after my arrival. He replied that he hoped it could be arranged within a week or ten days.

Dr. Stepanek then expressed to me on behalf of the Czecho-Slovak Government and people the great appreciation they felt for the work which America had performed in the way of furnishing food and other supplies for the people of the Czecho-Slovak Republic. He impressed on me that it was no mere matter of words to say that the United States had really saved the country of Czecho-Slovakia and that, had it not been for America, the country would in all probability now be in disorder.

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[5] See undated telegram No. 2402, received June 4, from the Commission to Negotiate Peace, p. 86.

He then spoke in a complimentary manner of my father, Mr. Charles R. Crane, whose long standing interest in the Slavic world, and especially in the Czechs and Slovaks, was well appreciated in Prague.

Dr. Stepanek concluded his remarks by thanking me on behalf of his country for the great help I had been to President Masaryk during the latter's visit to Washington in 1918.

On June 6 I received a letter from Dr. Iri Guth, Master of Ceremonies for the President, naming July [*June*] 11th at 11:30 A.M. as the time the President would receive me. On the morning of June 10th Dr. Guth called on me to arrange the details of my presentation and informed me that, on account of the active military operations against the Magyars then being conducted in Slovakia, the presentation ceremony would be quite simple. I replied that this was entirely agreeable to me.

At eleven-thirty on the morning of June 11th, the garrison of Prague unexpectedly called upon the President to assure him of their loyalty and of their readiness to fight against the Magyars should their services be needed. This delayed the ceremony of my presentation until noon.

The route from the Archbishop's Palace to the entrance of the President's Palace (a distance of about four hundred yards) was lined with troops. Colonel Miles proceeded alone in a victoria drawn by two black horses; and I followed (accompanied by Lieutenant Colonel Liska, Military Aide to the President) in a carriage drawn by four white horses, with coachmen and footmen attired in the livery of the City of Prague.

After presenting my letter of credence to the President, as reported in my telegram No. 16 of June 11, 1919,[6] I read my speech (a copy of which is enclosed, together with the President's reply). The President spoke in English, and in a most impressive manner. I was then presented to Dr. Svehla and conversed with him and with Dr. Stepanek, Colonel Liska and one or two other officials who were present.

In the anteroom adjoining the reception room were a number of Americans, including one or two newspaper men, and immediately after my return to the Archbishop's Palace these gentlemen called on me to pay their respects.

During the afternoon of June 11th Colonel Miles and I paid our official calls, but not without some difficulty, as the Foreign Office did not have a complete or correct list of the diplomats in Prague and many of the addresses they gave were incorrect.

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[6] Not printed.

On the evening of June 13th a performance of the opera "The Bartered Bride" was given in my honor at the National Theatre. The American Minister to Roumania, Mr. Vopicka, being in town, he and I occupied the box opposite to the President's. The American and Czech National Anthems were played, and during the last act Mr. Vopicka and I sat with the President in his box. The President later entertained us at dinner at Hradcany Palace, which formerly belonged to the Austrian Emperor, but which is now the official residence of the President of the Republic of Czecho-Slovakia.

My reception on the day of my arrival and subsequent demonstrations show the real feeling of friendship which exists here for the United States, and this feeling, I believe, will prove a good foundation for the development of future relations between the two republics.

I have [etc.] RICHARD CRANE

[Enclosure 1]

Remarks of the American Minister (Crane) on the Occasion of His Reception by President Masaryk, June 11, 1919

Mr. PRESIDENT: I have the honor to place in your hands the autograph letter of the President of the United States accrediting me as Envoy Extraordinary and Minister Plenipotentiary near the Government of Czecho-Slovakia.

It is a great privilege for me to enter into official relations with the Government of Your Excellency at this moment when the triumph of the principle of self-determination of peoples, for which our respective countries have fought, is made a reality in the firm establishment of the Czecho-Slovak Republic. I count it a peculiar honor to be the first diplomatic representative of my government to the republic. As such it will be my constant effort to cultivate the existing bonds of sympathy which should always unite these two peoples who have so many common interests.

Realizing the serious problems of an economic, political and social nature which confront all of the nations of the world today, and especially those nations which like Czecho-Slovakia have experienced the ravages of the great war, I shall do all in my power to enlist the active support of my government in meeting the problems of reconstruction which the people of your country will have to solve.

As one who has a personal knowledge and admiration of the great work which you have accomplished in America and in Europe, during the war, in bringing about the early recognition of your country by the United States and its Associates, and in securing their economic assistance, it is my firm conviction that the high qualities which you, Mr. President, bring to the present task will insure its

successful completion and will more firmly bind the ties of friendship between our two countries.

In the name of the President and the people of the United States of America, I have the honor to convey to you their sincere wishes for the greatness and prosperity of the new republic.

I beg leave to add to these greetings all best wishes and assurances of my own.

[Enclosure 2]

Reply of President Masaryk to the Remarks of the American Minister (Crane) on the Occasion of His Reception, June 11, 1919

Mr. Minister: I am happy to be able to greet you in these historic halls as the first diplomatic representative of the great American republic accredited to the Czechoslovak government. The nations of Europe had their representatives accredited to the court of the Bohemian kings centuries ago; you are the first American to enter these walls in diplomatic capacity. The fact is, perhaps, not without significance; it certainly carries with it great possibilities and a great deal of responsibility. The nations of Europe all have been wholly or almost our neighbours, and have often played an important role in our history; our relations with them have been often very close and our people know them therefore quite well. America has been a little out of the way; it came upon the stage of world's history only after we lost our independence, and our people began learning to know it only recently; wherever they came into direct contact with it, they very quickly adapted themselves to its way of life, and proved most useful in aiding to build and uphold its great institutions. I am thinking here of the numerous Czech and Slovak colony in America, and the work some of its members have done for the victory of America and of its ideals in the present war. The people here have now learned to know America from one of its noblest sides; the generous, humanitarian, altruistic side. But the soul of America consists of many other things—and it will be your great and beautiful task—and therein also your responsibility—to represent and interpret all these things to us, to show our people on practical problems of international and political life what is meant by the American spirit, what are the American ideals; and I who am proud to know them, can assure you that our people will be glad to be Americanized in this sense.

Mr. Minister, you mentioned our work in America; work, in which I am glad to be able to acknowledge our indebtedness also to yourself; in the few days you have spent here you have no doubt had the opportunity to notice the depth of gratitude with which our people look up to your great nation and its President. They all

know, old and young, what America has done for them during this war, what generous help I met there in my work last year. Allow me at this moment to assure you that this gratitude is of the kind that lasts: that we shall never forget America's generous and active interest in our national struggle for freedom. Please, tell your President, when you thank him on our behalf for the kind wishes he is sending thru you, that the Czechoslovak nation is not ungrateful, and that it will prove itself worthy of the confidence he placed in it.

You mentioned, Mr. Minister, the difficult problems that confront a young nation like ours entering upon a new era of its national life; we shall be only too happy to enlist yours and your government's aid in meeting them.

701.60f11/17 : Telegram

The Minister in Czechoslovakia (Crane) to the Secretary of State

PRAGUE, *October 22, 1919, 5 p.m.*
[*Received 5.15 p.m.*]

42. Mr. John Masaryk, son of President Masaryk, sails on auxiliary *Baltic* October 29 for Washington to be first Secretary of Czecho-Slovak Legation and Chargé d'Affaires pending the arrival of Doctor Stepanek, [see] my number 15 September 26 [*27*],[1] who will not be able leave Prague for several months. Request customary courtesies be extended Masaryk.

CRANE

701.60f11/25

The Czechoslovak Minister of Foreign Affairs (Beneš) to the Secretary of State

[Translation]

PRAGUE, *October 24, 1919.*
[*Received December 3.*]

MR. SECRETARY OF STATE: The keen desire which animates the Government of the Czechoslovak Republic to continue and strengthen the friendly relations which have been built up between the United States of North America and the Czechoslovak Republic has prompted it to create a diplomatic post near that [*your*] Government. Mr. Jan Masaryk, a Counselor of Legation, is therefore charged with the duty of placing in your hands these credentials which accredit him to the [*your*] Government as a Chargé d'Affaires *ad interim* until the Government of the Republic shall be in a posi-

[1] Not printed.

tion to appoint its Minister Plenipotentiary near the Government of the United States of North America.

The talent and conciliatory spirit of that diplomatic agent warrant my hope that you will receive him kindly and that you will give faith and credit to all the communications he may send to you within his instructions which will mainly aim to seek the means best adopted [*adapted*] to strengthening and developing the relations between our two countries.

I am [etc.] DR. EDUARD BENEŠ

701.60f11/25

The Secretary of State to the Czechoslovak Appointed Chargé (Masaryk)

WASHINGTON, *December 3, 1919.*

SIR: I have the honor to acknowledge the receipt of a communication addressed to me by the Minister for Foreign Affairs of the Republic of Czechoslovakia accrediting you as Counselor of the Legation and Chargé d'Affaires *ad interim* of that Government near the Government of the United States.

I shall be glad to receive you at half after eleven o'clock on Monday morning December the eighth, from which date the Department will be pleased to communicate with you as Chargé d'Affaires *ad interim* of Czechoslovakia pending the appointment of a Minister.

Accept [etc.] ROBERT LANSING

DANZIG

APPOINTMENT OF AN AMERICAN COMMISSIONER, OCTOBER 6, 1919

123D322/59b

The Director of the Consular Service of the Department of State (Carr) to Consul William Dawson

WASHINGTON, *October 6, 1919.*

SIR: You are hereby designated as American Commissioner at Dantzig, and you are instructed to proceed to Dantzig and assume your duties as early as possible.

Mr. Albert Halstead, Jr., who is now in the United States, has been offered the position of clerk at Dantzig and has been instructed to arrange to proceed with you.

You are authorized to purchase necessary furniture and furnishings for the opening of the office, keeping these expenditures as low as practicable, and not exceeding a total of $500. You will, as early as practicable after your arrival at your post, submit an itemized estimate of the expenses of conducting the office.

I am [etc.] WILBUR J. CARR

123D322/70

The Commissioner at Danzig (Dawson) to the Secretary of State

[Extracts]

No. 1 DANZIG, *November 29, 1919.*
[*Received December 23.*]

SIR: I have the honor, with reference to my despatch of October 30, 1919,[1] reporting my departure from the United States on the U.S.S. *George Washington*, to state that Mr. Albert Halstead, jr., and myself landed at Brest, France, on November 12th and proceeded to Paris the same day. We arrived at Paris on the 13th instant and reported immediately to the American Peace Mission. Following the advice of the Mission, we left Paris for Warsaw on November 17th by the French Military Train which makes the journey via Switzerland and Vienna. Upon my arrival at Warsaw on the afternoon of November 20th, I reported to the American Legation in that city and arranged to proceed to Danzig by the

[1] Not printed.

first available train leaving Warsaw on the 25th. Mr. Halstead and myself arrived in Danzig on the morning of November 26th.

. . . . . .

Under the circumstances it would seem that I shall have no immediate occasion to perform the usual consular services and, inasmuch as I cannot for the present be regularly accredited and recognized, the situation is in this respect fortunate. However, this state of affairs is undoubtedly only temporary and, as soon as conditions both locally and in Poland become more settled, Danzig should develop into an important and active center. Judging from a cursory survey of the situation, I have arrived here none too soon for a considerable amount of preparatory work and investigation.

I have already called on the principal German authorities who are, of course, for the present still in charge at Danzig. On all sides I have received a very courteous reception and several of the officials, to whom I have duly explained my status, have offered to assist me in every way possible. I am rather inclined to believe, this being of course but a first impression, that the feeling towards Americans is more friendly than towards other allied nationals and I imagine that this may be due in part to the fact that American participation in the future development of the city may be expected to be free from any attempt at political advantage.

. . . . . .

I have [etc.] WILLIAM DAWSON

123D322/77

The Commissioner at Danzig (Dawson) to the Secretary of State

No. 12 DANZIG, *January 2, 1920.*
[*Received January 31.*]

SIR: I have the honor to enclose herewith for the information of the Department copy of a communication dated January 2, 1920, addressed to the American Minister at Warsaw, Poland, with reference to the question of securing recognition for an American consular representative at Danzig after the coming into force of the Treaty of Peace.

I have [etc.] WILLIAM DAWSON

[Enclosure]

The Commissioner at Danzig (Dawson) to the Minister in Poland (Gibson)

DANZIG, *January 2, 1920.*

SIR: Under date of December 13, 1919, the Legation informed me confidentially of a resolution of December 3, 1919, of the Council of

the Heads of Delegations in Paris to the effect that during the period between the coming into force of the Treaty of Peace and the constitution of the Free City of Danzig the exequaturs of foreign consuls should be delivered by the representative of the Principal Allied and Associated Powers.

It seems to me advisable that I or such other consular officer as may be here when the Treaty of Peace goes into effect secure recognition as promptly as possible.

I may state in this connection that no commission has been issued to me by the Department to act as either consul or commissioner at Danzig. My only written authority is to be found in an instruction of October 6, 1919, informing me that I was designated American Commissioner at Danzig and instructing me to proceed to this city and assume my duties. I was verbally informed by the Department that my status was that of an unofficial representative of the United States for trade purposes but that I might, if deemed advisable and in the absence of objections from the local authorities, perform consular functions under my general commission as Consul of Class Five, which I have in my possession. I have not considered it advisable or for that matter practicable to act as consul as long as Danzig remains in the hands of the German authorities. The situation will, however, change when the Treaty of Peace goes into effect and the Temporary Administrator arrives.

I do not know whether or not any special procedure has been arranged for the granting of exequaturs by the Temporary Administrator. Inasmuch as we shall presumably have no diplomatic representative at Danzig, it seems to me that application for the granting of the exequatur could be made by me, provided I had from the Department of State a written or cable instruction directing me to secure recognition and act as American Consul at Danzig.

In case you agree with me as to the advisability of taking steps to facilitate my early recognition by the Temporary Administrator, I should be very grateful if you would take the matter up by telegraph with the Department.

Under the circumstances it does not appear practicable to cable the Department from Danzig. A telegraphic instruction from the Department directing me to secure recognition from the Temporary Administrator and act as consul could, however, perhaps be sent in plain language to me at Danzig. Such an instruction might also include the designation and recognition as vice consul of Mr. Albert Halstead, jr., who is with me at Danzig.

I have [etc.] WILLIAM DAWSON

123D322/77 : Telegram

The Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *March 29, 1920, 5 p.m.*

145. Instruct Dawson Dantzig to apply to High Commissioner for Free City of Dantzig for recognition for himself and Halstead as Consul and Vice-Consul respectively. See Dawson's letter January 2, 1920, to you. As High Commissioner cannot of right refuse recognition to American Consular Officers, it is understood that such application is mere formality.

Report promptly to Department conclusion of treaty between Poland and Dantzig provided for by Article 104 of German treaty, as according to Despatch No. 80 [*8*] of December 29, 1919, from American Commissioner, Dantzig,[2] such treaty will give Poland power to grant exequaturs to foreign consuls at Dantzig.

COLBY

[2] Not printed.

DOMINICAN REPUBLIC

POLITICAL AND ECONOMIC AFFAIRS[1]

Informal Discussions of Policy with Former Provisional President Henriquez y Carvajal—Reports of the Military Governor[2]—Establishment of an Advisory Council of Dominicans

839.00/2126

The Consul at Santo Domingo (Edwards), Temporarily in Charge of the Legation in the Dominican Republic, to the Acting Secretary of State

No. 439 SANTO DOMINGO, *March 23, 1919.*
[*Received April 3.*]

SIR: I have the honor to invite the Department's attention to the present status of the very active and rather wide spread propaganda in behalf of the restoration of Dominican independence which is being directed by Dr. Francisco Henriquez y Carvajal, Provisional President at the time of the American intervention.

It is known that Dr. Henriquez left Santiago de Cuba on February 15 last for Havana whence he was to sail for Paris with the purpose of bringing to the attention of the peace conferees the present political status of the Dominican Republic, its right to the consideration of the world and to the restoration of its independence.

Several "juntas" have been organized throughout Cuba, including in their membership many prominent Dominicans and friendly Cubans. Several Cuban newspapers evince their sympathy with the movement by the publication of laudatory articles and editorials. A considerable fund has been raised in Santiago de Cuba and other cities to defray the expenses of the "delegación especial", the head of which it is understood, of course, will be Dr. Henriquez. It is, indeed, reported that the Doctor is now in Paris, although I have not been able to secure a confirmation of the report.

While I venture to assume that the Department is fully aware of this movement and has kept in touch with its progress, it may be interesting to relate what are said to be the arguments the Doctor will use in presenting his appeal. While eulogizing President

[1] Continued from *Foreign Relations*, 1918, pp. 359–371.

[2] A general survey of conditions and accomplishments through the year 1919 is given in the booklet *Santo Domingo, Its Past and Its Present Condition*, published by the Military Government, Jan. 1, 1920.

Wilson and lauding his efforts in behalf of the weaker nations he will declare that the reasons set forth in the Proclamation as a justification for military intervention and the consequent American occupation of the Dominican Republic were not the true reasons but merely used for the sake of expediency and to hide the real purpose. This purpose finds its explanation in military strategy and necessity. The United States having resolved to declare war on Germany anticipated the declaration by strengthening their position in the Caribbean in order to better guard the approaches to the Panama Canal and to prevent the establishment of submarine bases or the possibility of Germany's finding other aid in this region. In view of the tremendous magnitude of the issues at stake in the great War, the United States may reasonably claim justification for their action, and on such score would undoubtedly receive the sympathetic support of the world.

However, now that the war has concluded in a victory for the United States and the overwhelming and definite defeat of Germany, all danger to the former in the region of the Caribbean and the Panama Canal has disappeared and such reasons as may have justified the occupation of the country no longer exist.

Therefore, in conformity with the President's expressed declaration concerning the rights of smaller nations, the United States should now withdraw its military forces and restore the country to the government of its own people.

I have [etc.] CLEMENT S. EDWARDS

839.00/2130

The Military Governor of Santo Domingo (Snowden) to the Secretary of the Navy (Daniels)[3]

[Extracts]

590–19 S–McG SANTO DOMINGO, *17 April, 1919.*

1. The following report of the activities of the Military Government of Santo Domingo for the quarter ending March 31, 1919, is respectfully submitted:

2. The undersigned arrived at Santo Domingo on February 25, 1919, and was received with the usual honors, relieving the Acting Military Governor the same day.

. . . . . .

4. Quiet and good order have continued to prevail generally throughout the quarter. The banditry which has been referred to in previous reports as existing in Seibo and Macoris provinces is

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[3] Copy transmitted to the Acting Secretary of State by the Acting Secretary of the Navy, May 2.

still the occasion of military activities. It is a question simply of time, when these lawless and work-avoiding criminals are run down. Active operations are being continued to discourage these activities against the general law and order of the Republic. Constant patrolling fails to discover groups of bandits, showing that the bands have broken up. The surrender of individual bandits with arms is an almost daily occurrence. No depredations are now being committed. Banditry is practically confined to a comparatively small district of the Eastern province of the Republic, that of Seibo; the other eleven provinces are peaceful and the inhabitants are pursuing their various vocations without annoyances. Considerable criticism has been made of the Guardia Nacional Dominicana. Irresponsible people and those inimical to the present government are making ill-judged and malicious remarks against the Guardia. These people are visionaries or socialists; at any rate, they are irresponsible and the carrying out of their views would lead to the return of the old system of graft and constant revolution. Some national police force is required, and will be required to be left behind when the Military Government is withdrawn. This is an absolute necessity. The Guardia is a military police, organized under Executive Order No. 47 of 7 April, 1917, and as such, it is not an army or a militia. It is organized on similar lines to the Haitian Gendarmerie, although with much less, but sufficient pay. It is stationed in small detachments throughout the country and in larger bodies operating with the Marines against the bandits in Seibo. At present there are about eleven hundred men in the Guardia with thirty American and twenty-seven Dominican officers. The Dominican officers are one Captain and twenty-six Lieutenants. It is my opinion that we should maintain Dominicans of good officer material in the lower ranks to be trained to take over command of the Guardia when the Military Government is withdrawn. Where Dominicans cannot be found to fill such positions, Americans will be given these posts. Close supervision is exercised by the Department of Interior and Police over the Municipal Councils of the Republic. In some cases graft has been discovered, the Dominican officials removed and prosecuted. An endeavor is being made to give responsibility to the Civil Governors of the Provinces and to obtain some results from their offices.

5. Business conditions continue to improve. The customs collections of the country for the quarter ending March 31, 1919, exceeded the estimate by $16,067.71, but fell behind the collections of the corresponding period of 1918 by the sum of $106,786.55. This decrease was not unexpected and is accounted for by the fact that merchants are disposing of existing stocks, as in many cases when

they could obtain export licenses they overbought, not knowing whether they would be able to continue getting goods from the United States because of the War Trade Board restrictions and the scarcity of shipping. Then, also, the merchants look for lower prices in the near future, and are only buying for immediate needs. The matter of tariff revision[3] has had attention with the result that the Military Government has decided to appoint a tariff commission to study the subject with a view to making recommendations for proper adjustment of inequitable rates or inconsistencies in the present tariff and a substantial reduction in the duty on the necessities of life. Letters have been received by the Department of Hacienda and Comercio from many of the Chambers of Commerce of the country heartily endorsing tariff revision and agreeing to submit the views of their members to the Commission to be appointed. It can be said that the revision will be a very popular measure with the country at large and will remove to a great extent the heavy burden of indirect taxation at present resting upon the poorer classes. In order to protect the business interests of the country and give them ample time to dispose of present stocks, announcement has been made in the public press of the proposed revision with statement that it is the Administration's intention to complete the tariff not later than September 1, and to place the new tariff in effect January 1, 1920. All the conditions of the American–Dominican Convention of 1907[4] will be carefully observed, so it is assumed that the new tariff, when submitted, will receive the approval of the United States Government without question. The Executive Order to accomplish this purpose has already been drafted and will be issued in the course of a very few days. The commission will be composed of the following gentlemen:

Chairman—J. H. Edwards, Special Deputy General Receiver.
Member—Alfredo Ricart y O., President Camara de Comercio, Santo Domingo City.
Member—Julio Senior, Special Inspector, Customs Receivership.
Member—R. A. Alburquerque, Interventor de Aduana, Santo Domingo City.
Member—L. H. Vorfeld, from Washington, D. C.
Secretary—L. E. Lavandier, Official Translator, Customs Receivership.

All except Mr. Vorfeld serve without salary thereby showing their public-spiritedness and desire to serve the people of the Dominican Republic. Mr. J. H. Edwards, Mr. Julio Senior and Mr. Alburquerque through their long experience in connection with the Re-

[3] See pp. 161 ff.

[4] *Foreign Relations*, 1907, pt. 1, p. 307.

ceivership of Dominican Customs are all particularly fitted for the work; Mr. Ricart, the President of the Chamber of Commerce of Santo Domingo City, is in a position to know the needs and views of the merchants of the country and will represent them on the Commission. Mr. Vorfeld, who is a tariff expert qualified through work done in the preparation of the Philippine tariff and the existing tariff of Santo Domingo, was secured through the Bureau of Insular Affairs and has been specially brought down from the United States for the period of about six months for special service on the Commission. The collections of Internal Revenue continue to be very gratifying. The collections for the three months just completed exceeded the amount collected for the same period of 1918 by $61,-251.48, and 1917 by $206,131.89. A new land tax law has been in preparation which it is estimated will bring in annually the sum of $1,250,000. Such an estimate cannot be more than a guess, however, since there is nothing definite to base the estimate upon. The revenue realized from this tax will replace such revenue as will be lost by the proposed reduction in the tariff and will enable the Military Government to remove certain other vexatious taxes. The rates proposed are low, and, coming at the same time as the announcement of the tariff revision, it is expected that it will be well received by the country. The administration of the law will be somewhat difficult for some years to come, but it is felt that it should not be longer postponed and that it will assist in forcing the division of the so-called Comunero lands. Its administration will be placed under the Internal Revenue Department which will necessitate a considerable increase in the personnel of that Department. The expenditures from the 1919 budget for the quarter amounted to $754,652.89, which is $176,236.61 below the proportional part of the budget for 1919.

6. Much diplomatic controversy was anticipated upon the announcement of the findings of the Claims Commission, in so far as they affected foreigners. Fortunately this anticipation has not materialized as yet, probably because of the fact that the justice of the findings has exhausted the complaints. The Dominican Claims Commission of 1917 settled 1055 claims amounting to $379,817.87, during the past quarter. The total claims passed to date is 1282 amounting to $486,105.46. The total number of claims wholly rejected to date is 198. All claims settled have been promptly paid by the Contaduría General de Hacienda by means of the bonds of the 1918 issue, which have been well received by the people. At the present time it is impossible to estimate when the Commission will finish its labors. Every effort is being made to expedite the passing of claims and they are being handled with as much celerity as a thorough

investigation will permit. It is hoped that the Commission will be able to complete their work by the end of the present calendar year. To date the following bonds have been issued in payment of the claims:

Series L 585	Series D 152
Series C 1493	Series M 204

The failure of the State Department to confirm the interpretation of the Military Government that the action of the Military Governor in assigning the necessary amounts for interest and amortization of the 1918 bond issue from the customs revenues with the consent of the United States, as stated in the bond, was in effect an agreement for the continuation of the terms of the American–Dominican Convention of 1907,[4] caused considerable embarrassment to the Military Government. The wording of the face of the bond which had been presented for the approval of the State Department, is so clear on the point that the Military Government felt that it had been placed in the unenviable position of having published an untrue statement on the face of bonds of the Dominican Republic. To let the matter stand was unthinkable and much consideration was given to the subject by this Department. As a solution of the matter Executive Order No. 272 was issued.[5] Under the terms of this Order additional amortization is pledged for the retirement of the bonds; i.e., sixty percent of the one-half of the surplus above $3,000,000 of the customs revenues from imports and exports collected by the General Receiver of Dominican Customs, which would otherwise accrue to the Dominican Government. Tests made show that this will insure the complete payment of the 1918 loan before the final payment on the bonds of the 1908 loan, under any or all conditions of customs receipts, and thus within the life of the Receivership. This removes the objection raised by the bankers and has resulted in restoring confidence in the bond issue. Monthly purchases of bonds of the $100 denomination (Series C) were continued during the quarter in order to allow the many holders of small claims to realize on their bonds. The average price paid was 95.7. These purchases have had an excellent effect in maintaining the price of these bonds.

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9. Agricultural activities are constantly advancing, being continued along the same lines as before. Instructors to the total of thirty have been sent to various parts of the Republic to instruct the farmers in the cultivation of their crops. Specialists in cacao,

[4] See letter to the Secretary of the Navy, Feb. 12, p. 147.
[5] *Post*, p. 148.

tobacco and corn have been sent out. In cooperation with the Department of Agriculture in Washington much information has been secured on the local way of planting rice, also the first necessary steps have been taken for running a series of experiments with this crop as to the most favorable date of planting. About a ton of wheat seed was secured from the United States and small quantities were sent to different parts of the Island to be planted in the highlands. The Agricultural College is being founded; experiment stations are being added to; a nursery of coffee and cocoa trees has been established, as well as a plantation of grape fruit trees, a vanilla garden, and other nurseries. Due to the fact that labor brought into the country for harvesting the year's crops was being taken out of the country by foreign agents, an Executive Order was issued to safeguard the local interests.

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11. The only untoward incident connected with the foreign relations of the Republic was the reported suspension of the Legation of Santo Domingo by the Holy See, which has very recently occurred, the basis of which appears to be the reluctance of the Military Government to receive in its turn a diplomatic representative. The Legation at Rome constituted a form only, and seemed to possess no essential functions. It therefore seems best to tacitly accept the suspension, leaving the future government of Santo Domingo to heal the breach.

12. During the quarter the head of the Department of Education began an inspection of the schools of the com[m]unes which will extend to the entire Republic. The schools were found to be operating satisfactorily. Improvements of organization, equipment, and method are being effected from day to day. There are about 200,000 children requiring school accommodation, and there is now accommodation for but half that number. All of this 100,000 live in rural communities, and the system is being extended to them as rapidly as the funds can be allotted. That the industrial, moral and political salvation of this country depends upon reaching this 100,000 of the growing generation seems to be almost axiomatic. No culture, idealism, or even patriotism of enlightened self-interest can be inculcated without a means for the general dissemination of ideas, which is the capacity to read and write. The progress in school matters is very gratifying.

13. Previous to December 31, 1918, the two services, Posts and Telegraphs, were entirely separated. On January 1, 1919, by Executive Order No. 242, these two departments were combined as a Department of Posts and Telegraphs. Since October, 1918, a rapid

service for carrying first-class, ordinary and registered mail across the Island has been in daily operation, making the trips each way in twenty-eight hours. This new and rapid service is giving most satisfactory results and many commendatory remarks are being made by business men and others regarding this service. This replaces a coastal service formerly requiring seven to eight days. During the quarter, in accordance with Executive Order No. 275 of March 20, 1919, the general government acquired by purchase the Telephone System of Santo Domingo City in order to insure an efficient service for the Capital City. The system was owned and operated by Sr. H. Lopez Peña who was paid $10,000 therefor, after determination of its present value by a mixed board. The Ferrocarril Central, a property of the Dominican Government, is in good condition and prospects.

. . . . . .

16. The Public Health Service of the country continues its excellent work and matters under its cognizance are progressing favorably. Although there are still some instances of the recent epidemic of influenza in the country, it is considered almost extinct. At the request of this Government, the U.S. Geological Survey has sent Lieut. Col. Smith, of the Engineer Corps, U.S.A., and a staff of Geological Surveyors to plan the Topographical and Geological Survey of the Republic. It is hoped that this very vital matter may now be considered in process of solution.

18 [*sic*]. A Civil Service Commission, composed of Mr. C. L. Lang, as President, Mr. Vienvenido Ravelo, additional member, and Mr. Federico Glass, as Secretary, have conducted examinations for the classification of employes of the Postal, and Telegraph and Telephone Services in the several cities and towns of the Republic under regulations framed by the Department of Communications, etc. Examinations have already been held in Santo Domingo City, San Pedro de Macoris, La Romana, Samana, Sanchez, San Francisco de Macoris, La Vega, and Moca. The total number of applications filed up to March 20, was about 350. Construction of new telephone lines continues.

19. The cordial relations heretofore existing between the Military Government and the representatives of the State Department as well as those of the General Receivership have been fully maintained. It is the desire and policy of the Government to cultivate friendly and cordial relations with all representatives of the Dominican people.

THOMAS SNOWDEN

839.00/2127 : Telegram

The Acting Secretary of State to the Consul at Santo Domingo (Edwards), Temporarily in Charge of the Legation in the Dominican Republic

WASHINGTON, *April 24, 1919, 4 p.m.*

Cable Department immediately present situation as to banditry in Santo Domingo, stating whether or not it is on the increase and giving facts and dates to substantiate statement.

POLK

839.00/2134

The Secretary General of the Commission to Negotiate Peace (Grew) to the Acting Secretary of State

[PARIS,] *April 25, 1919.*
[*Received May 13.*]

SIR: I have the honor to enclose herewith for the information of the Department, a copy of a translation of a letter written to Mr. Stabler by Dr. Henriquez y Carvajal, unrecognized Provisional President of Santo Domingo, together with a copy of a translation of a memorandum submitted by Dr. Henriquez y Carvajal, in regard to conditions in Santo Domingo.

Dr. Henriquez y Carvajal has been in Paris for the last two weeks and has called twice on Mr. Stabler, who acting under instructions from the Secretary of State, received him informally, telling him that no questions in regard to Santo Domingo could be taken up in Paris, and if he desired to bring any matters to the attention of the Government of the United States it would be best for him to do this through the Department of State. However, Mr. Stabler discussed in an informal way the present situation in Santo Domingo and asked Dr. Henriquez y Carvajal to give him for transmission to the Department a memorandum regarding his views of the future of Santo Domingo. The second memorandum referred to in his letter will be transmitted to the Department as soon as received.[5]

Dr. Henriquez y Carvajal has approached many of the Latin American diplomats and delegates to the Peace Conference in connection with his claim to be restored to power in Santo Domingo. From what the Commission has been able to gather, nothing more than a simple hearing has been accorded to him and many of the Latin American delegates have come immediately to Mr. Stabler to make inquiries as to Dr. Henriquez y Carvajal.

It would appear that Dr. Henriquez y Carvajal is not rabidly anti-American and that he recognizes the necessity of the step which the

[5] Not printed.

United States has taken in Santo Domingo but desires that some of the functions of the Government be turned over to the Dominicans. It is not believed that any difficulties will arise for the United States from his visit to Paris. The Department will be kept closely informed of all of his activities.

I have [etc.] J. C. GREW

[Enclosure—Translation]

Doctor Henriquez y Carvajal to the Chief of the Division of Latin American Affairs of the Department of State (Stabler)

PARIS, *April 19, 1919.*

I have the honor to send you the memorandum on the republic of San Domingo, which I promised you at our last interview.

I will now prepare the other memorandum, relative to the points which you suggested for my consideration, and I will send it to you in the course of next week.

DR. HENRIQUEZ Y CARVAJAL

[Subenclosure—Memorandum—Translation [6]]

At the very moment when the press of the civilized world published the admonition which went out by radio to all the nations from the Peace Conference recently assembled in Paris, a spontaneous popular sentiment in favor of the Dominican people, a sentiment of sympathy which received the adherence of elements foreign to the native population, culminated in Cuba in the foundation of pro-Santo Domingo committees. The number of these committees has spread from place to place and it is possible to foresee that they will soon extend over all Latin America.

The plan of these committees, not yet definitely shaped, is to lend all the moral aid possible to the Dominican people to bring about an improvement in the present conditions, from the political point of view, as well as in intellectual, commercial and industrial development. The first step in this plan to be taken at once is to obtain for the Dominican Republic its reinstatement in the exercise of its own national free government. The invitation issued by the Peace Congress to all the nations of the earth has made it easy for each one of them to present all the claims that they had to make concerning their legitimate rights and aspirations. No one of them is in a better position than the Dominican Republic to claim the restitution of her sovereignty as a state and nation, which she has lost neither by war nor by any international agreement, voluntary or

[6] File translation revised.

otherwise; and she would be able, under normal conditions of international life, to solicit the place that she desires to have assigned to her in the League of Nations. Nations which appeared dead, supplanted for centuries by powerful neighboring states, have been recalled to life by the Peace Commission; why should the Dominican Republic, situated in a new continent, free and continually progressing, near the mightiest dominion of liberty and industry, bound to this very dominion by geographical, commercial and political ties which nothing can break, a link, however small, in the chain of free states which constitute the society of nations called Pan-America, why should she have to remain, as at present she is, with her sovereignty sequestered and crippled?

But before being submitted to the Peace Conference, the Dominican question, in our opinion, should be laid before the Government at Washington. By its nature, its origin and its antecedents it is a question essentially American; and it can pass beyond the limits of America only when the latter has lost all sense of justice and cordiality. And this would be a mistake; because the United States has shown on more than one occasion its good will towards the Dominican Republic and its people and has lent its valuable moral support in the ominous hours of anxiety and trouble. Even today, the intervention which has taken place in this country on the part of the Government of the United States and which keeps the said country submitted to military government and military law, seems to have no other object than to "give assistance to the end that it may return to such a condition of domestic peace as will allow it to fulfil the terms of the financial convention of 1907 and its obligations as a member of the Society of Nations". And this proposal rests on this solemn declaration:

"This military occupation is undertaken with no intention or ulterior object of destroying the sovereignty of the Republic of Santo Domingo". (Proclamation of Captain H. S. Knapp on November 29, 1916[7]).

Such declarations justify laying all claims made in favor of the Dominican Republic before the American Government, confident that the latter will not refuse to hear the voice of those who speak sincerely and calmly for their country. And if this voice demands a hearing today in Paris, it is because all rights and claims are being submitted in this atmosphere of justice, liberty and regeneration in which the principal breath blows from the powerful North American democracy.

A rapid sketch of the facts will bring us up to the conclusions and suggestions which we wish to make.

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[7] *Foreign Relations*, 1916, p. 246.

Convention of 1907

The convention signed in 1907 between the Dominican Republic and the United States is essentially financial. Its only object is to guarantee the payment of the interest and amortization of the foreign debt, to the extent of 20,000,000 pesos gold, contracted by said Republic. In guarantee of this payment the Republic put in the hands of the American Government all the customs, to be administered from that time by collectors and assistants appointed by the President of the United States. From the funds gathered by the collectors the latter put aside *ipso facto* and month by month 5% destined to pay all expenses and salaries of the personnel of the customs service, and 100,000 pesos to be applied to the fund of the interest and amortization of the debt, plus half the excess above 3,000,000 pesos when the customs receipts pass this figure. This sum shall serve to increase the amortization fund.

After the aforesaid sums are reserved, the remainder of the customs receipts, in addition to the other taxes, shall serve the Dominican Government to meet the estimate of its public expenses.

The interest on the public debt has always been paid with absolute regularity. From 1907 until 1912 the public expenses were met without difficulty. From 1912 on political disturbances arose which gave rise to extraordinary expenses which at length engendered a domestic debt for deficits on estimates in various successive years.

Clause III

The third clause of the convention imposes two obligations on the Republic:

(*a*) Until the total amount of the bonds of the loan shall have been paid, its public debt shall not be increased without previous agreement between the Dominican Government and the Government of the United States.

(*b*) The same agreement is necessary to modify the import duties.

The second of these obligations has never given occasion for dispute, since the Dominican Government has at no moment contemplated modifying its import duties.

The first obligation, on the contrary, has given occasion to a difference of opinion between the two Governments. The Dominican Government has always understood that the obligation imposed on it was that of contracting no new public debt of the same kind as that guaranteed by the convention, without previous agreement with the American Government; that a debt arising from a deficit in estimates, by reason of necessary and unusual expenses of war, as well as those due to unforeseen public calamities or to a diminution of income

occasioned by bad crops or by fluctuations in merchandise, a debt irregular in its origin, involuntary and impossible to foresee and upon which it is impossible to count, is surely not the debt provided for in the third clause.

The American Government, on the other hand, asserts that in contracting this new debt, originated by expenses of war and by deficits in estimates, the Dominican Government has violated the convention. And this criterion, according to the proclamation of Captain H. S. Knapp, is the legal foundation for the armed intervention in the Dominican Republic.

POLITICAL INEFFECTIVENESS OF THE CONVENTION

When the convention of 1907 was signed it was the current opinion in Santo Domingo that by it the era of revolutions had ended. Perhaps the same opinion was held by many people in the United States. In reality, the convention was only a financial instrument whose essential object has been fulfilled. The revolutions were more frequent and bloody than ever between 1912 and 1916. The convention has not been able to forestall nor avoid nor remedy political disturbances, since that is neither its primary nor secondary object.

Debts of the Republic

The public foreign debt of 20,000,000 dollars has been considerably reduced by the payment of amortization, which was to commence in 1917. Apart from the 200,000 dollars annual reserves for this purpose for ten years, which makes a total of 2,000,000 dollars, this sum has been increased; by the sums resulting from the 50% of the excess over the income of 3,000,000 dollars from customs duties during this same period of ten years, on one hand; on the other, by the accumulated interest which has not been paid on the bonds deposited to the account of the Republic. The amortization of the debt, therefore, will be made more and more rapidly. In the present year the estimate of the Republic sets aside for this purpose; 200,000 dollars, the annual fixed quota; 440,000 representing 50% of the excess over 3,000,000 of the customs duties; plus the sums accruing from the interest corresponding to bonds already paid. We may count on an annual amortization of more than 700,000 dollars, which will shortly reach and go beyond 1,000,000. It is no exaggeration to state that within fifteen years at the latest the debt will be paid off.

The domestic debt originating during these four years of disturbances and now in process of liquidation, is estimated at some 7,000,000. The estimate for the present year sets aside 700,000 dol-

lars for its amortization. Its payment also will be rapid, although this rapidity will be retarded by the attribution of an annual 5% interest. This debt could have been and should have been paid without interest.

In any case, it is certain that the total amount of both debts will be paid rapidly, in view of the size of the sums destined to their amortization, which within a few years will exceed 2,000,000 pesos a year, so that in this way and without creating new financial obligations, the Republic will see itself in the rare position of a state without debts. This is all the more probable, since the public income is increasing from year to year, and it will increase much more as soon as new and legitimate taxes are levied, which the country can pay without loss.

Origin of the Political Disturbances

It is certain that the political outbreaks on the part of the populace arise from many various, distinct and complex causes; but the principal and perennial cause in the Dominican Republic is its present political organization. The history of the Dominican nation is a history of war. First of the American colonies, with a monastic capital city, possessing a university from which doctors and scholars went out to distant points of the continent and the neighboring islands, it little by little lost its population and its prestige by the constant emigration to other privileged regions in the process of colonization. Its insufficient population led to invasions by filibusters, who, installed in the entire western part of the island, became strong enough first to resist the violent attacks made upon them by the Spanish authorities, and later to attack the Spanish colonists themselves. These struggles lasted for more than a century; they ended when Spain ceded the island to France. But new contests soon arose. Aided by the English, the Spanish colonists fought with the French, who for a time occupied the whole island, and succeeded in reestablishing the power of Spain. The latter gave little assistance to its colony, hence the Dominicans decided to unite with Gran Colombia. This first declaration of independence came to nothing and the Dominican nation then came under the domination of the Government of Haiti, at that time strong and well-organized, a powerful neighbor in the same island constituted with all the elements of political, military and agricultural organization bequeathed to it by the French Colony.

This Haitian domination lasted twenty-two years. The germ of liberty and independence of 1821, small in appearance, day by day grew stronger in the souls of the Dominicans. The latter decided

on February 27, 1844, to shake off the yoke of foreign domination and definitely proclaimed the constitution of its free and independent republic. This act was followed by a bloody war which lasted seventeen years and which exacted of the Dominicans unheard-of efforts, in view of the smallness of their population and the scarcity of their resources and elements of war.

President Santana, the valiant champion of those heroic struggles, fearing that the Dominican nation, weakened by the continued strife, could not in the long run resist the power of the enemy, sought the support of Spain, who annexed the territory of the Republic without consulting the will of the people. The latter wished no foreign domination and rushed to arms again to wrest the land from the new tyrant. A bloody and unequal struggle in which the Dominican people might have been annihilated ensued, but fortunately it lasted only two years. Once more the unfortunate Dominican people emerged as a republic, free and independent, but weakened by so many long and enormous sacrifices.

What was the result of so many costly and painful efforts? A political organization based on a military organization. All the authorities assumed a military character and adopted military proceedings. The most insignificant rural police authority was military. The head of a village, the mayor of a city, the governor of a province, the minister, the President, all were ordinarily soldiers or assumed in their functions the character of soldiers. In a country which lacked and which still lacks sufficient resources to support properly such a military organization, the degeneration of militarism was a foregone conclusion. Its elements entered into all political contests and militarism engendered *caudillos*. The *caudillos* in turn degenerated and, their authority diminished and influence weakened by vain pretentiousness, were at last unable to engender any stable state of authority, except when by rare qualities of personal character a strong *caudillo*, rising from the midst of public disturbances, succeeded in assuming a real authority over the rest or over a majority of them, subjecting them to obedience. And nevertheless, even so, unless he was favored by special and transitory conditions of the national life, he was in reality in a precarious position; because he had to compromise with each of the agents of the Government holding office in the provinces, cities and villages, and in the intemperance of the exercise of his duties each agent of the Government grew in ambition and prepared for the exercise of a higher authority, if not the highest in the hierarchy.

Under such lamentable conditions political parties were formed around a *caudillo*, taking their names from him. The sole object of such parties was to predominate; their strongest bond, the neces-

sity for self defense, and the result was the constitution of governments ordinarily tyrannical, which were ignorant of the efficacy of the laws and the advantages of a good administration, and were hence incapable of improving them. Sometimes the good sense and advanced opinions of certain elements representing the reaction against the deplorable tendencies of the parties, succeeded in imprinting on the latter a wise direction and in placing in the President's chair certain eminent and honored citizens, whose presence in power was a hope for gubernatorial regeneration. But such situations were precarious and transitory.

Nevertheless, the country has progressed. Many of its sons have attained the highest culture. Public instruction is widespread and opinion hostile to demagogy and its system of government has become general; and today it is the wish of many Dominicans to transform the political condition of the Republic by completely annulling the tradition and the influence of the *caudillos*, burying forever the old degenerate militarism, the constant disturber of the peace of the Republic and the cause of its bankruptcy.

The Remedy

The remedy does not lie in the convention, as we have already said. The American Government has sought it in an interpretation *a fortiori* of the third clause of the convention and has exacted:

(*a*) That, with a view to preventing the increase of the debt, the direction of public affairs be entrusted to a financial adviser, who should receive powers above those of the legislative body. A scrupulous organization of the business, so that the taxes should be collected regularly, honestly and fairly and that the public expenses, adjusted to a well thought-out estimate, should be paid in conformity with the law that had previously fixed them;

(*b*) And in order that the public force shall not be placed in the hands of disloyal leaders who, far from employing this force to preserve order and peace and to guard the constitution and laws of the state, use it to overthrow the President and to create disturbances, let the sole public force which ought to exist in the country, the republican guard, be vested in a high North American official, who shall be assisted by a number of officials also North American, in the organization, command and discipline of such a body.

Doubtless this reform remedies the evil but does not cure it definitely. It would leave alive all the old institutional mechanism, of Franco-Spanish colonial tradition, in which authority is everything and the people nothing. We should still have governors, chiefs of communes and chiefs of sections abusing their authority and crushing the spirit of the people.

The Republic needs in its institutions a total reform aimed to free the soul of the people from all the oppressive, constrictive and re-

strictive bonds in which it has lived and enable it to expand in the atmosphere of liberty in which its will may act and aspire to better conditions of life than those which it enjoys at present. A succinct program of this reform was published about three years ago in the press of New York and Santo Domingo. This program includes: (*a*) the formation of political parties, with written program and elective duties to constitute the directives of its assemblies from the city wards to the national assembly; (*b*) a free municipal organization and government of the villages and cities by a municipal authority elected by the people; (*c*) civil governors and provincial councils elected by the people of their respective provinces; (*d*) chambers in which shall be represented at the same time majority and minority; (*e*) president and vice-president elected by presidential electors; (*f*) public force, the national guard, by voluntary enlistment, with police functions, directed under the orders of the president; (*g*) national reserve army, as in Switzerland; (*h*) administrative service with the rule of civil service and pecuniary bond obligatory for all those who hold financial office; (*i*) the development of a great plan of national culture, from elementary instruction, free and obligatory, with a minimum of attainment, to special and professional schools and university instruction; (*j*) protective laws for immigration and labor, with a compulsory minimum time schedule and an optional maximum schedule.

The general disarmament of the people, the dissolution of the standing army, the withdrawal of all military command from the governors and subaltern authorities; all this would make it immediately possible to undertake the reorganization of the Republic in conformity with the plans above furnished.

Difference of Judgment

In the discussions which the undersigned, while President of Santo Domingo, held with Rear Admiral Pond and Minister Russell, this plan was explained various times, and comparing it with the one submitted by the aforesaid representatives of the American Government to the Dominican Government, the undersigned signified that he had decided to resolve:

(*a*) Concerning financial affairs, that the collection of all the taxes of the Republic, for a certain time and for so long as may be necessary to perfect and complete the entire service of the aforesaid affairs, should remain in the care of the General Treasury, which should effect the payments ordered by the auditor's office, whenever (and only at such times) the orders of payment shall be based on the articles of the law of public expenditures or in accordance with other laws which determine special expenditures, and should designate the origin of the funds to meet such distributions. It was also decided to ask for the assistance of a financial adviser, an expert

in Spanish–American affairs, a university scholar and a practical man at the same time, whose opinions, suggestions and indications shall serve as guide and norm to the men of the government who have the legal power to present laws before the Chambers. A remuneration suitable to the rank and the high mission of the adviser would be insured to him by the Dominican Government by means of a contract previously signed.

(*b*) As to the reorganization of the national, rural or republican guard, to entrust it to an American superior officer, who should call to his aid the necessary number of officers, also American, who should all know how to speak Spanish and should be recommended, as to their capacity and morality, by the American Government. The body of officers of the guard should include a certain number of Dominican officers judged apt to occupy the position of lieutenants. For the efficient reorganization of the guard, all changes should be made that might be suggested by the commander, whose suggestions would be transmitted to the Chambers with a request for such reforms. These officers should all be subject to the military laws of the country thus reformed, should hold the effective command of the public force and should draw their salaries in conformity with contracts drawn up and signed between them and the Dominican Government, and in conformity with the laws in which such provisions may figure. The contracts should be good for four years and should be renewable with the common consent of both parties. The Dominican officers, according to the competence and good conduct of which they might give evidence, would have the right to regular promotion every four years.

On what, then, is the difference of opinion between the plan of the Dominican Government and that of the American Government founded? The difference appears to be subtle. The Dominican Government could not logically accept the indications of the American Government, as they were formulated, for neither the Constitutions, nor the laws, nor the will of the people permitted it. And it is certain that the object aimed at by the American Government would be realized perfectly by the plan of the Dominican Government.

Antecedents of Both Opinions

In 1912 the Dominican Government requested the American Government to recommend some field officers who might be disposed to take charge of the reorganization and instruction of the Dominican Army, after a contract duly signed by them for a period of four years. The State Department was good enough to present to the Dominican Legation at Washington a list of the names of officers disposed to assume the functions offered them, designating on the list the salary that each one should receive. This first step was without results.

On January 8, 1915, the State Department presented to the Dominican Legation at Washington a memorandum, according to which:

"the United States, desirous of assisting the Dominican Republic to bring about certain reforms necessary to insure the peace and prosperity of the Republic", suggested to it—

(*a*) That by a decree it should put the collection of the internal revenues in the hands of the Treasury;

(*b*) That the office of Controller of Finances should be officially conferred on Mr. Charles M. Johnston, and that he should be vested with exactly the same powers that the financial adviser would receive later;

(*c*) That the expenses of the Dominican Army be reduced, an army whose lack of discipline constituted a danger to public order, far from guaranteeing it; and it added: "that the United States would be pleased to furnish President Jiminez whatever aid he might desire to reorganize the police forces of the Republic or for the creation of a constabulary to take the place of the army and the rural guard as they are today constituted."

These preliminaries show that both Governments were seeking a common point to arrive at an agreement in a matter of so great importance. The thought of both is included in the plan, previously explained, of the Dominican Government, a plan which includes a general reform of the political situation of the Republic, insures peace and leaves its sovereignty safe, unnecessarily suppressed by the North American plan.

A Historic Example

When, on the occasion of the second inauguration of President Estrada Palma, grave disturbances took place in Cuba which caused the resignation of the President, the American Government intervened in the conflict. To examine the causes it appointed Secretaries Taft and Bacon to proceed to the spot and to hear the parties in litigation. The consequence of this examination was the reform of certain laws. A provisional North American Government directed the destinies of Cuba, while the consulting commission drew up those laws, and gave time for passions to cool and for moral peace to be reestablished. As soon as this came about, popular elections restored to Cuba her own government. The tact, prudence, generosity, fairness and self-respect which the American Government showed on this occasion, constitute a crown of glory for this Government and engender in the people of Cuba a legitimate sense of gratitude.

Future of the Dominican Republic

No nation of America has suffered greater vicissitudes than the little nation of old Hispaniola, favored by Columbus, the cradle of America and the tomb of the great and immortal explorer. Noth-

ing, however, has been able to destroy its character; neither the three years of French domination, nor the twenty-two years of Haitian domination, nor the five of the last Spanish domination, nor the seventeen years of war with Haiti to establish her independence nor the two years of war with Spain to restore it. In the midst of her hazardous life, lacking in resources and exhausted by struggles, she never abandoned the lofty ideal of liberty and independence which has served her as a standard and a guide. The island in which the Republic is situated is a mine of potential wealth. The population, few in numbers, has been increasing slowly and the victory over the ground, although insufficient, has succeeded in producing the necessary elements of life to insure it a progressive development and to place it in a position to realize the objects of civilization. Its commerce is increasing from day to day; its agricultural production, in proportion to its population, is considerable; and the day is not far distant when the exploitation of its natural wealth will make of this land of revolutions a desirable country toward which the eyes of immigrants will turn.

The agricultural, commercial and industrial development of this nation, as well as its political stability, will bring it nearer day by day to the United States. Its institutions, laws and customs will go on assuming more and more the American spirit. It will make progress by means of this contact. It will aspire to a future ever more ample, in proportion as the democratic spirit of the American people extends its sphere of action over the entire world. To no great people of the earth will it cling more than to the North American people, whose future in history knows no horizon. Its safeguard lies in this. But this luminous vision does not blind its eyes to the standard which has guided it through its hazardous life, the standard of its liberty and its independence.

Aspiration of the Dominican Nation

Above the devastation and the heaped-up ruins which the Great War has left as the trace of its mad career, to the horror of humanity, there now passes a breath of liberty and regeneration which comforts the soul of nations and incites them to a common desire for peace and justice. Nations subjugated for long years are rising on all sides to claim their rights to self-determination. Old and new, all nations are coming together and agreeing on a convention of a League of Nations which will cement on solid foundations international justice and the peace of the civilized world. It is the highest ideal of humanity, which seems already to be converting itself into a fact real, material and tangible.

In this solemn hour of peace and concord, of justice and liberty, the people of the Dominican Republic, whose sentiments the undersigned interprets, claims the rehabilitation of its own government, its right to self-determination, to accomplish its international obligations and to write itself in the list of the League of Nations.

Paris, April 14, 1919.

DR. HENRIQUEZ Y CARVAJAL

839.00/2131 : Telegram

The Consul at Santo Domingo (Edwards), temporarily in charge of the Legation in the Dominican Republic, to the Acting Secretary of State

SANTO DOMINGO, *May 1, 1919, 7 a.m.*
[*Received May 3, 1.10 p.m.*]

Your April 24, 4 p.m. Based upon military reports covering period since January 1 banditry situation greatly improved. Disturbances are confined to small territory between San Pedro Macoris and Hato Mayor Seybo. On January 19 force of 25 marines and 40 national guards was attacked by 250 bandits near Las Guana Banos with result 7 bandits killed, no casualties among marines. Another force 11 marines attacked by 20 bandits January 31st. These are only attacks by bandits since the first of year and the efforts of the 1700 marines in that region have since been directed towards seeking out and dispersing small bands. It is estimated that there are no more than 300 bandits in the region who are without organization and short of ammunition; they have no political aims and are considered as outlaws and fugitives from justice.

EDWARDS

839.00/2137

The Minister in the Dominican Republic (Russell) to the Acting Secretary of State

No. 458 SANTO DOMINGO, *June 3, 1919.*
[*Received June 19.*]

SIR: I have the honor to report that the spirit of banditry in the eastern part of this Republic is still dominant. Our military forces have been very active in the pursuit of the bandits, and the presence of a large number of marines in the infected district has made it more difficult for the bandits to attack as openly as formerly. The topography of the district is so rugged that it is almost impossible for the marines to cover all parts, and just at the points where there are no marines the bandits appear in considerable numbers and

pursue their campaign of pillage and murder. There is a great feeling of uncertainty amongst the people and it is not safe to travel without guard.

On May 18th near Hato Mayor a group of bandits, various reports as to number, presumably about 100, attacked a patrol of fifteen marines, and in the encounter one marine was killed. The bandits escaped with a loss of probably a dozen. Information has come to me that on or about May 15th near San Pedro de Macoris a sugar plantation was attacked by the bandits who demanded money—this was refused, and in the firing up that ensued a Haytian cane cutter was killed. At San Isidro plantation, ten miles from this city, an entertainment was given last week, and, as a precautionary measure, a force of twenty marines was sent for protection. At Porvenir sugar estate, on the outskirts of San Pedro de Macoris, an assault was made by bandits last week. It has been reported to me also that an American in charge of Public Works construction near San Pedro de Macoris, has stated that it will be dangerous for him to proceed with his work unless under guard.

I am strongly of the opinion that an efficient Guardia Nacional of Dominicans efficiently officered by Americans and acting as a national police force in co-operation with our marines would be an important factor in putting an end to this lawless condition in the Republic.

I have [etc.] WILLIAM W. RUSSELL

839.00/2137

The Acting Secretary of State to the Minister in the Dominican Republic (Russell)

No. 295 WASHINGTON, *June 20, 1919.*

SIR: The Department has received your No. 458 of the 3d instant reporting that a spirit of banditry prevails in the eastern part of the Dominican Republic, and suggesting the formation of a Guardia Nacional of Dominicans, efficiently officered by Americans, to be used as a national police force in cooperation with United States Marines, with a view to put an end to lawless conditions in the country.

In reply I have to say that the Department concurs in your opinion as to the desirability of creating an efficient rural guard with American officers similar to the Haitian Gendarmerie.

You are instructed to discuss this matter informally with the Military Government, indicating the attitude of this Department on the question, and to report fully and exactly the result of your conference.

I am [etc.] FRANK L. POLK

839.00/2143

The Minister in the Dominican Republic (Russell) to the Secretary of State

No. 491 SANTO DOMINGO, *August 8, 1919.*
[*Received August 22.*]

SIR: I have the honor to acknowledge receipt of your No. 295 of June 20 (File No. 839.00/2137), in regard to the formation of Guardia Nacional of Dominicans to be used in co-operation with the United States Marines to put an end to banditry in this country.

In accordance with your instructions I have discussed this matter informally with the Military Governor and the Brigade Commander of the United States Marines. They both agree that the "Guardia Nacional Dominicana" as at present organized is in no way fitted to insure law and order if our forces should retire. It is an absolute fact that the backbone of peace and order in this country is our Marine Brigade (about 3000 in the Republic), and if these are withdrawn chaos will prevail.

The Military Governor admits that the Guardia is not rendering service commensurate with the expenditure made for it, and has decided on a thorough reorganization of the present establishment. The first step in the reorganization has been taken, as the Military Governor has requested the Major General Commandant of the Marine Corps to detach at once the officer at present in charge of the Guardia.

I have [etc.] WILLIAM W. RUSSELL

839.00/2147

The Acting Secretary of the Navy (Roosevelt) to the Secretary of State

WASHINGTON, *August 27, 1919.*

SIR: I have the honor to quote herewith, for the information of the State Department and such action as may be deemed necessary, the following paraphrases of dispatches received from the Military Governor of San Domingo:—

"It is reported that Henriquez and other Dominicans are in conference with United States Government officials in Washington in regard to the re-establishment of Dominican Civil Government. This is causing much agitation and unrest with danger of sporadic disorder. It is feared by other factions that they will lose chance of obtaining power. It is urged that the American Government make prompt and specific decision with wide publicity. 17019."

"I am of the opinion that success of the projects of Henriquez y Carvajal regarding [*former*] President of the Dominican Republic,

and other Dominicans in conference with the American Government for the restoration of Dominican Civil Government, would result in anarchy and early ruin of this country, as there have been so many factions of diverging views taken for power rendering task [*sic*]. Dominican Government election impossible [*sic*]. 68."

Very truly yours,

FRANKLIN D. ROOSEVELT

839.00/2152

The Military Governor of Santo Domingo (Snowden) to the Secretary of the Navy (Daniels)[6]

[Extracts]

1830–19 S–McG [SANTO DOMINGO,] *28 August, 1919.*

1. The following report of the activities of the Military Government of Santo Domingo for the quarter ending June 30, 1919, is respectfully submitted:

. . . . . .

3. Quiet and good order have continued to prevail throughout the quarter, broken only by the intermittent and trivial activities of a small number of bandits in the Provinces of Macoris and Seibo. Conditions in this regard have, however, considerably improved, several sub-chiefs and their followers having surrendered with their arms. It is hoped that we are now in sight of the practical end of any organized banditry in this country. A resumé of these matters will be found at the end of this report.

4. Business conditions have been satisfactory during the past quarter. Customs collections of the country for the quarter ending June 30, exceeded the collections for the same period of 1918 by $70,343.00 and exceeded the estimate by $143,000. This is very gratifying, as it had been expected that in view of the large stocks of merchandise held, that merchants would be slow in ordering more goods, since they have expected a general reduction in prices, and also in view of the revision of the tariff now under way.

. . . . . .

All preparations have been made for the collection of the Property Tax during the next quarter. Difficulty was experienced in getting the printed forms ready in time for distribution. The printing establishments of the capital are small and they were only able to handle the business with difficulty. Some difficulty has been experienced in obtaining qualified assessors. The Marine Corps has now

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[6] Copy transmitted to the Secretary of State by the Acting Secretary of the Navy, Sept. 19.

granted permission for the discharge of not to exceed twenty men to accept positions in the Internal Revenue Department. Quite a number of applications from Marines have been received. Those who read and write Spanish and who have had several years experience in the Island should prove of value to the Internal Revenue Service. Everything indicates that the tax will be collected without any friction of any account. The Department of Internal Revenue has been instructed to exercise the greatest discretion in the matter of the collection of this tax and it is not anticipated that it will be necessary to seize and sell any property whatever. The benefit of the doubt in all cases will be given the taxpayer.

The membership of the Dominican Claims Commission changed during the quarter in the substitution of Lieut. Comdr. Ralph Whitman, C.E.S., U.S. Navy, for Colonel James T. Bootes, U.S. Marine Corps, the latter having received orders detaching him and recalling him to the United States. Lieutenant Commander Whitman is particularly well fitted for this duty by his two years experience with the Military Government in Santo Domingo and by his knowledge of the Spanish language. The Commission settled 1019 claims during the quarter and rejected 150 claims. The following statement shows the work up to June 30:

Total number of claims filed—8900		
Total amount of claims filed		$14,289,895.42
Claims definitely disposed of:		
	Awards, 2279	1,152,618.51
	Rejected, 348	884,668.76
	TOTAL	2,037,287.27
The total amount of the awards has been liquidated as follows:		
Bonds issued		1,054,300.00
Cash paid in lieu of bonds of Series "L" $50.00 denomination		49,250.00
Cash paid in settlement of fractional amounts of less than $50.00		49,068.51
	TOTAL	$1,152,618.51

This does not represent all the work done by the Commission, as there are a great number of claims upon which much work has been accomplished, but which have been laid aside for the purpose of obtaining additional information, or because of their relation to other claims. These will require comparatively little additional time when they come up for final settlement.

The President of the Commission holds to his estimate that the work of the Commission will be completed by the end of the year.

So far no claimant has refused acceptance of the amount awarded by the Claims Commission.

Up to date, the following bonds have been issued in payment of claims:

Series L—985	Series D—260
Series C—2393	Series M—685

By the drawing held May 7, 1919, in accordance with Executive Order No. 193,[7] the bonds of Series C, numbers 1 to 1875, were declared drawn for redemption. This was the total number of $100 bonds which had been issued up to the date of the drawing. A purchase of bonds of Series C, $100 denomination, was made by this Department at an average price 96.5. Further purchases were discontinued for the quarter, owing to the fact that all Series C bonds outstanding had been drawn for redemption, as stated above.

Offers to purchase bonds of Series C, D, and M, will be advertised for, with an opening of bids each month, July, August, and September. The effects of purchasing bonds from time to time by this department has resulted in keeping before the people the value of the bonds and will undoubtedly serve to force the banks to advance the prices they offer to a point more in accordance with the intrinsic value of the bonds. With the Victory Loan just completed and with Japanese, English and French bonds bearing a higher rate of interest than those of the Dominican Republic, 1918 Issue, it has been an unsuitable time to place the said bonds on the market. In view of all the circumstances, the prices that the holders of the bonds are receiving cannot be regarded as very much too low.

Booklets describing the loan, reprinting Executive Orders 193, 225 and 272, giving a statement of the financial condition of the Government, trade figures, and offering free service of the Department of Hacienda y Comercio for the purchase of the bonds are now on the press and will be distributed to the principal bond houses, insurance companies and banks in the United States early in July.

. . . . . .

The collections of Internal Revenue for the months of April, May and June are the highest in the history of the Republic. These collections are due in part to the gradually increasing prosperity of the Republic and very largely to the efficient administration of the Internal Revenue Department by Mr. Walter M. St. Elmo. The following comparative statement shows the collections for the past

[7] *Foreign Relations*, 1918, p. 377.

six months of the year, as compared with the collections for the corresponding periods of 1917 and 1918:

	1917	*1918*	*1919*
January	86,976.12	154,708.11	133,572.65
February	79,714.51	111,415.45	136,699.58
March	81,500.01	119,785.72	182,959.40
Total Qtr	248,190.64	385,909.28	453,231.63
April	94,068.83	114,138.80	153,656.80
May	117,193.08	132,705.79	206,458.63
June	130,325.27	127,644.35	181,175.02
Total Qtr	341,587.18	374,488.94	541,290.45
1st Qtr	248,190.64	385,909.28	453,231.63
Total 6 Mos	589,777.82	760,398.22	994,522.08

The expenditures from the Presupuesto 1919 continue to run considerably behind the appropriations and at this time it is estimated that the appropriations will show an unexpended balance of about $500,000 at the end of the fiscal year.

. . . . . .

The Department of Finance in accordance with the instructions of the Military Governor has issued instructions for the investigation of all pensions by the agents of the Internal Revenue Department. Their reports will be compared with the records on file in this department by the Board of Officers appointed by the Military Governor. The investigation will be made in connection with the other duties of the Internal Revenue officers, hence it will be some months before it can be completed.

. . . . . .

5. The principal difficulty experienced in the attempt to solve the land title problem is to obtain a record of the land titles in existence. The system of recording land titles is somewhat as follows: A certain number of notaries are commissioned for each com[m]une, the maximum number for any com[m]une being seven, most com[m]unes having only one. Upon any transaction in real estate, the parties appear before a notary who draws an act of the transaction the original of which is deposited in the notary's archives. A first copy is drawn and delivered to the owner, and in case of transfer of ownership, this first copy constitutes a title. The only official records are those of the notaries, and due to carelessness, destruction by elements, destruction by violence, thefts, etc., it has resulted that there was no record of existent land titles worthy of the name. Beginning in 1912, attempts were made to have rural land titles inscribed, but because of the general attitude of indifference to requirements of law, ignorance, and disorder, the law was not completely successful. The periods for inscription

were extended from time to time, and finally expired in December, 1917, with a fine of 50% of the value of all titles not then inscribed. In order to relieve those under such penalty, a further period of six months was provided by Executive Order No. 195, upon the expiration of which titles to shares in undivided lands would lapse if not inscribed. Every means known were adopted to give this provision the widest publicity, but nevertheless the appeals received since the expiration of the six months extension have been so insistent as to inspire Executive Order No. 304, of June 11, 1919, by the terms of which the Secretary of Justice was empowered to authorize the inscription of titles for which reasonable cause could be shown for non-inscription in the period provided, thus avoiding the loss of the title. This order has thrown a great amount of additional work on the office of the Secretary of Justice, and has raised many delicate points for decision. It is hoped that one day the problem of titles will be on the way to solution, in the meantime that office cannot evade a vast amount of labor and confusion.

There was no process by which chattel property could be made security for a loan, without depositing it with the lender as a pledge. This deprived farmers and artizans of borrowing money on tools, implements, livestock, crops, unfinished work, etc. Executive Order No. 291, of May 6, 1919, supplies the deficiency, and is expected to be of assistance to farmers especially, in financing their operations.

. . . . . .

6. The various items of Public Works have been continued successfully, although much interfered with by the scarcity of labor, especially trained labor. The main *carretera* from Santo Domingo City across the island to Monte Cristi is progressing favorably, but has now reached difficult conditions, slowing the work. This road and the roads from Macoris to Hato Mayor, and from Azua to San Juan are being pushed as rapidly as possible. Besides the above, the government has assisted several of the Provinces in building local *carreteras*. The City Councils in several cases have inaugurated road building and have shown a most commendable spirit in helping themselves; notably the roads Azua–Barahona, Hato Mayor–Sabana de la Mar, Santiago–Puerto Plata, Santo Domingo–Santa Cruz–Villa Mella and La Vega–Jarabacoa. Work has been, and is being continued at the ports of Santo Domingo, San Pedro de Macoris and Puerto Plata. Work is being pursued on government buildings, old and new; the Leprosarium at the mouth of the Nigua River, fourteen miles west of the Capital is progressing satisfactorily and it is hoped that it will be occupied at the end of the year. The ground for the National Penitentiary near the same place has been cleared and the

foundation prepared for beginning building. Increases and improvements at the Jaina Agricultural Station are being made and the Animal Industry section is being begun. The College of Agriculture and adjacent structures are being built, the corner stone being laid with appropriate ceremony on June 28, 1919. Repairs to several lighthouses have been made. The work of the Agricultural Department has been extended along the lines heretofore designed. Progress is being made in the instruction of farmers in cacao, tobacco and corn cultivation. Strenuous attempt is being made to favor the growing of rice in this country and wheat as well. The several Agricultural sub-stations at Constanza, Monte Cristi and elsewhere are doing good work.

7. The three months ending June 30, 1919, mark the end of the fiscal year of the largest movement and better results which the Central Dominican Railroad has had since its inauguration. The interruptions of previous years were avoided with the completion of the new steel bridge across the Bajabonico River, so that the railroad has been continually in operation and the transportation requirements of the regions which it serves have been met.

8. The Postal and Telegraph Services continue to improve. The Civil Service examinations have proved of great benefit to the services. On June 16, 1919, a semirapid mail service was established between the Capital and the Cibao, by way of the same roads utilized for the rapid service between the same points. This is a daily service and has been of great service to business and to the publishers.

9. About the close of the preceding year the several Prosecuting Attorneys (Fiscals) furnished lists to Guardia Headquarters containing the names of some four hundred and fifty criminals who had committed crimes and were fugitives from justice. During the year it came to light that many score of others were wanted by the courts, but that for various reasons their names were not given to the Guardia. Not included in the above-mentioned lists, there was a band of outlaws numbering about twenty, remnants of the forces of Vicentico Evangelista, at large in the Province of Seybo. These were led by Ramón Natera who had operated as a sub-chief under Vicentico. In the Province of Azua, another band, nominally under one Olivero Mateo, alias Papa Livorio, a religious fanatic, but really under the leadership of Nicolas Cuevas, alias Colon, and which contained some thirty members, were in hiding among the hills adjoining the Haitian border. The Province of Santo Domingo, supported two more bands, one of about twelve men and another of about fourteen, which were frequently divided into groups of two or three. These latter groups maintained themselves in the mountainous sections to the North of Bani and to the West of San Cristobal. During the first week in July, 1918, a group of about

thirty outlaws crossed the mountains from the northern part of the island and came down into the Province of Seybo and there united with the bandits under Natera. The combined groups were able to secure a number of voluntary recruits from the riff-raff among the unemployed who were hanging around the sugar estates in the Province of Macoris, and from among those who were being forced from their lands, where they had lived for years, by the expansion of the sugar estates. Some twenty men of the groups who had been in Santo Domingo Province moved to Seybo about this time and joined forces with the bands already there. Stimulated by German propaganda, and forced recruiting of inhabitants in the country sections, the outlaws in the Province of Seybo probably reached the number of six hundred in all during September, 1918. In addition to those already mentioned, several small groups of petty thieves sprang up and operated in the Province of Macoris under the shadow of the main bands who were at that time in open insurrection. The last mentioned, composed mostly of Haitien and English speaking negroes, robbed small stores in outlying sections and occasionally held up a traveller at night, but in operating they only met at night in certain places previously agreed upon at a designated time to sally forth and commit some act of banditry and then disperse the same night. In the mountains of Neybo, Province of Barahona, several bad characters under one Andreas Cuevas got together about June and started on the war-path. In November at Yamasa several discontents with local conditions urged on by two or three outsiders of bandit fame, endeavored to start trouble. In addition to the criminals and outlaws mentioned above, there was a general disregard for law in minor things. Cock-pits were maintained in nearly every country section. Gambling was carried on more or less openly everywhere. The Police Law was either ignored or violated in all its parts, through ignorance. To add to this disorder, native officials, almost in their totality, countenanced, connived at, or openly aided in the last mentioned violations. Hundreds of persons still possessed firearms notwithstanding the Proclamation of the Military Government. Last to be mentioned here, but not the least in the trouble line, were the smugglers over the Haitian frontier and the marauders who periodically crossed the border either to escape capture on the Haitian side or to commit robberies on this side. Since the above circumstances, conditions have greatly improved; banditry is practically confined to parts of the Provinces of Seybo, Macoris and Santo Domingo, for the greatest part to the first mentioned. The aeroplanes have done much to break up the bands and a pacific moral suasion treatment has been inaugurated headed by the Dominicans themselves. From this much is hoped.

It is not believed that banditry can survive the opening up of the country, which is being done as rapidly as funds and the supply of labor will allow; the building of roads through the heart of the country facilitates the opening of new farms and at the same time facilitates military operations against the bandits and this last fact is being allowed for in the inauguration of new roads.

. . . . . .

In addition to their military operations, the troops have been effectively employed in encouraging the natives to go back to their farms and resume agricultural occupations. Good feeling exists between the population and the Americans, largely through the campaign of education carried on throughout the unsettled district by the speeches of Colonel Breckinridge and Governor Ramirez of Seibo.

There still exists the necessity of a complete military occupation of the District composed of Seibo and Macoris provinces. There are now in the disturbed district some 200 or 300 criminals. These are augmented by certain disaffected persons, always present, and by neer-do-wells and non-workers and constitute the present bandit forces. Where numerous vulnerable places must be defended or a large territory covered, a considerable force is required to maintain peaceful conditions. This represents present conditions, but which are constantly improving.

THOMAS SNOWDEN

839.00/2183

Doctor Henriquez y Carvajal to the Acting Chief of the Division of Latin American Affairs of the Department of State (Johnson)[7]

[Translation [8]]

MEMORANDUM ON THE DOMINICAN QUESTION

In order to perfect, in an appropriate manner, the reorganization of the Dominican Republic, the best method and *modus operandi* to be applied is that which the American Government followed in Cuba twice, especially in the second intervention. According to that plan the said *modus operandi* would, in its main lines, consist of the following measures:

1. Restoration of civil order with individual rights by relieving the army of occupation of all police duties. The custody of civil order will remain entirely in the hands of the police force, national and municipal.

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[7] Presented at the interview of Sept. 8; see memorandum of Mr. Dunn, Sept. 8, p. 130.

[8] Substituted for file translation.

2. Although there are in the country police courts known by the name of Alcaldías, which also perform the duties of municipal courts, there should be created on the restoration of civil order police courts like those existing in Cuba which would try misdemeanors expeditiously and within a limited measure. The function of the Justices of the Peace of the present Alcaldías would be entrusted to municipal judges.

3. A general census of the Republic should then be taken at once under a law that would set the periods for the taking of the following censuses.

4. There should be appointed a Consulting Commission of Dominicans for the drafting of the most urgent organic laws, which Commission would be under the direction of one or two representatives of the North American authority.

The laws to be drafted in this way are:

a. Election law guaranteeing the representation of minorities.

b. Political parties law, the operation of which shall derive from popular vote and be comprised within the Constitutional principles and those of the election law.

c. Organic law for municipal governments which would amplify their sphere of action and maintain their autonomy as genuine representatives of the people.

d. Organic law of the provinces whose government, like the municipal government, will be elected by popular vote.

e. Organic law of the executive power which will determine the powers and duties and organization of each department and where the order of succession to the Presidency, should the case arise, should be clearly and precisely regulated.

f. Law of regulating the budget by which errors that may cause a deficit to the government will be foreseen and prevented and the creation of offices for the salaries of which there is no assured revenue, will be prohibited.

g. Law of the Treasury to prevent transgressions in the handling of public funds and establishing adequate penalties for such transgressions in each case.

h. Law of public accounting—laying down clear rules for a good system of accounting.

i. Law of civil service, preventing public officers from being subject to the vicissitudes of politics.

j. Law of National Health which will organize all services of Public Hygiene and defense against all epidemic illness.

k. Law of communications by land, sea and air.

5. After the census is taken and the laws relative to elections, parties and municipalities have been promulgated, the municipal councils or Ayuntamientos shall be elected. The next election will be that of the Governors of Province and it will be done at the end of a certain number of months and after evidence of the efficiency of the new electoral organization is sufficient.

The third and last electoral course will have for its object the election of legislative chambers and of the President of the Republic.

6. As a guarantee that this new order of things will function with perfect regularity and that the Dominican people have become conscious of its being the only way to make them capable of fulfilling their international duties, the evacuation of the Army of occupation shall be effected in successive steps and within the time that the varied conditions of the country will permit justly to estimate.

Washington, September 5, 1919

DR. HENRIQUEZ Y CARVAJAL

839.00/2147

The Acting Secretary of State to the Secretary of the Navy (Daniels)

WASHINGTON, *September 6, 1919.*

SIR: I have the honor to acknowledge receipt of a letter dated August 27, from the Acting Secretary of the Navy, for the information of this Department, paraphrasing despatches received from the Military Governor of Santo Domingo regarding the presence in Washington of Henriquez y Carvajal and his efforts in regard to the reestablishment of Dominican Civil Government.

I should be glad if you would inform the Military Governor that nothing has occurred to cause this Department to change in the slightest degree the policy with regard to Santo Domingo.

I have [etc.] WILLIAM PHILLIPS

839.00/2149

Memorandum of Mr. J. C. Dunn of the Division of Latin American Affairs of the Department of State

[WASHINGTON,] *September 8, 1919.*

Señor Henriquez y Carvajal of Santo Domingo, accompanied by his two sons, called at the Division this afternoon in company with Señor Galvan, Dominican Minister in Washington. They were received by Mr. Johnson and myself.

Señor Carvajal presented a memorandum containing certain suggestions with regard to Santo Domingo.[9] His first suggestion was the abolishing of the Provost Court and the reestablishing of civil order. His second suggestion was to establish Judges of Correction. having persons who committed offenses brought before them first instead of before the Police Judges or Alcaldias. His third sug-

[9] Memorandum of Sept. 5, p. 128.

gestion was the creation of a Consultative Body to prepare organic laws for the country as to elections; the organization of municipalities and provinces; the regulation of the budget; the executive power, and the different branches of the Government.

He also said that if it were not possible at this time to abolish the Provost Court all over the Republic, it would be advisable to block out certain zones where there had not been an excess of lawlessness, which zones might be considered to be worthy of withdrawing the Marine patrol and the Provost Courts.

Señor Carvajal stated that in the matter of banditry the men who are now practicing banditry in his country would give up this lawlessness upon finding that the Provost Courts were abolished and there was more freedom for the Dominican people. He gave as his opinion that if the Guardia Nacional were increased to 1500 there would be no necessity for Marines, except possibly some in the eastern provinces. He drew a parallel between the situation in Santo Domingo and the situation in Cuba, especially during the second intervention, and gave as his opinion that if this Consultative Commission were organized and were to formulate the basic laws for the country, it would be the best method to better the present conditions in the Republic.

Discussion of the main points, the abolition of the Provost Courts, and the formation of the Consultative Commission, brought us to the conclusion that it would seem wise to have the action of the Provost Courts reduced as much as possible, reserving the use of such courts only for crimes against our military forces or emergency cases requiring expeditious treatment.

. . . . . .

J. C. Dunn

839.00/2151

Memorandum of Mr. J. C. Dunn of the Division of Latin American Affairs of the Department of State

[Washington,] *September 13, 1919.*

Señor Henriquez y Carvajal, of Santo Domingo, called at the Department September 12, in response to a suggestion by Mr. Johnson, that it was not necessary to wait longer for an expression of views as to his memorandum.

Mr. Johnson informed Señor Carvajal that his memorandum has been read and that considering [the] side of the question as presented by Doctor Carvajal, the suggestion as to the reducing of the

action of the Provost Courts in Santo Domingo, seemed reasonable.* Mr. Johnson further informed Doctor Carvajal that if he would permit him to make a personal suggestion, he considered that the most effective method of bringing up a discussion leading to improvement in the administration of Dominican affairs would be for Doctor Carvajal to proceed to Santo Domingo, taking up the matters contained in his memorandum directly with the Military Governor. At the same time, he, Mr. Johnson, would forward to our Legation in Santo Domingo a copy of Doctor Carvajal's memorandum with the request that it be brought to the attention of the Military Governor for an expression of his views.

Doctor Carvajal brought out the fact that the censorship as to speeches and publications of articles was so strict that he thought his going about would be too limited to accomplish very much along the line of finding the exact state of mind of the Dominican people. In reply to this Mr. Johnson said that he felt confident that Doctor Carvajal would be received by the Military Government, and that there would be no more restrictions put on his movements and actions than on any other Dominican citizen, further, that if Doctor Carvajal desired to make the trip to Santo Domingo and would let the Department know in advance, Mr. Johnson would undertake to notify the Military Government that Doctor Carvajal was coming, at the same time telling them the purposes for which he was making the trip.

Doctor Carvajal suggested that he be given a letter setting forth the purposes of his trip and requesting protection for him. This Mr. Johnson said he would not be able to do but would be very glad to take up directly with the Military Government the matter of allowing Doctor Carvajal to proceed to Santo Domingo.

Another point discussed at this conference was the fact that the Department had been informed that there are certain political chieftains and a great many business men and men of high standing in the community who would support the Military Government if they could be made to realize that there will be no immediate withdrawal by the United States Government of the American officials administering the affairs of the Dominican Republic. That because of a possibility that the control of the Government might be returned in the very near future to Dominicans, they feel that it is necessary to keep themselves before the public as what the public considers patriotic Dominicans, not as favoring a Government which the political agitators are against.

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* Mr. Johnson stated, however, that it would be necessary to have the opinion of several people in this matter before presenting [it] to the Secretary of State for his decision, and he considered that on such a question as this it would be necessary to have the opinion and views of the American officials on the ground. [Footnote in the original.]

Doctor Carvajal admitted that there were political chiefs who were endeavoring to keep their personalities before the public in this way, and gave as his view that a remedy for this condition would be the founding of political parties as means of carrying out principles instead of for use according to the personal wishes of the leaders of the parties.

Mr. Johnson told Doctor Carvajal that he could help a great deal toward the restoration of order in the Republic if he would convey to these political agitators the impression that it would be much better for them to assist the present Government than to oppose it, thereby influencing the people to respect the desire of the United States and its representative, the Military Government, to restore peace and order in the Dominican Republic which was the ultimate object of the Military Government.

J. C. DUNN

839.00/2147a: Telegram

The Acting Secretary of State to the Minister in the Dominican Republic (Russell)

WASHINGTON, *September 13, 1919, 5 p.m.*

Henriquez y Carvajal has called at Department. His ideas appear to have been modified, and all he desired at the present time are certain changes in the Santo Domingo administration relating to courts etc. Carvajal appears to be well disposed and ready to cooperate with Military Government and to advise fellow countrymen against efforts for return of Government to Dominicans at this time.

Cable Department whether there is any objection on part of Military Government to Carvajal's returning to Santo Domingo. Copy of Carvajal's suggestions will be forwarded by pouch for consideration of Military Government.

Cable Department extent of present censorship in Santo Domingo as regards both speeches and written matter.

PHILLIPS

839.00/2148: Telegram

The Minister in the Dominican Republic (Russell) to the Secretary of State

SANTO DOMINGO, *September 15, 1919, 5 p.m.*
[*Received September 17, 10.40 a.m.*]

Your September 13, 5 p.m. Military Government has no objection to the return to Santo Domingo of Henriquez y Carvajal and will be glad to see him and consider any suggestions he may have to offer.

There is no censorship in Santo Domingo except on speeches or written matters tending to produce political or labor agitation.

RUSSELL

839.00/2157

Doctor Henriquez y Carvajal to the Secretary of State

[Translation]

MEMORANDUM IN REGARD TO THE INTERVIEW HELD IN THE DIVISION OF LATIN AMERICAN AFFAIRS ON SEPTEMBER 12, 1919

The suggestion made to me, Dr. Francisco Henriquez y Carvajal, that I confer with the North American military governor in Santo Domingo with a view to explaining to him the views of the Dominicans as voiced by myself and the group of my countrymen who accompanied me in my interviews with the present chief of the division of Latin American affairs, does not appear to be a suitable and effective method of attaining what urgently needs to be done for the benefit of the Dominican people. We Dominicans think that, inasmuch as the military governor and his subordinates who are now exercising governmental functions in Santo Domingo belong to the military class, they would act only in accordance with orders issued by their own superiors. Being subject to the restrictions of military discipline, they would refrain from expressing an opinion, or would do so only before and by order of their superiors. Therefore any explanations which I or any person representing me might make would at best be benevolently listened to but not considered; and even if they were considered, the governor would merely make them known through the proper superior organ to the United States government, just as I the undersigned have done directly and am doing before the state department.

The opinion of the Dominican people is little known and its will is ignored by the United States government, for under the military rule prevailing in that country public opinion does not exist and the thought and will of the people are necessarily kept secret or else seek underground channels of divulgation, and even this is done with great caution for fear of the unmerciful system of espionage implanted in the country by the military government. During the exercise of the governmental power in the two North American interventions in Cuba, the Cuban people was never deprived of its liberties and its opinion and will could always be known.

There is no just reason why the Dominican people should not be in the same situation now as the Cuban people was under like circumstances. It is inconceivable nowadays that any people can live without the use of freedom of thought, without the liberty to discuss its own affairs, and without the right to express its will in matters

affecting its own life. If it is a question of bestowing upon the Dominican people a political and administrative organization which will enable it to maintain domestic order so that it may perform its national and international duties, the natural course is not to withdraw it from the ambient of liberty so essential to the life of peoples, for only within such an ambient can civic virtues develop. The natural and first thing to do is to place that people in a position to work for its own good and for its own civic education by calling upon it to take part in the gradual and progressive political and administrative reorganization of its republic, beginning by abolishing the military rule there governing. If the application of martial law is suspended, correctional courts created for the purpose being substituted for courts martial, and an advisory board appointed to study and draft the most urgent organic laws, the moral situation of the people will change at once, all the evils that have hitherto existed in the country will disappear automatically, and a spirit of confidence and cordiality will be diffused among the Dominicans, while at the same time a feeling of gratitude will arise in their minds toward the people of the United States.

Under these circumstances, or when steps are taken to bring them about through a decision of the United States government, the other suggestion made by the chief of the division of Latin American affairs that I the undersigned go before the Dominican people and explain to them the general plan of gradual reorganization of the republic as proposed by me in order to restore the national government would easily be carried out. Such a contact with the people might be very effective, for it would enable those who have not yet understood them to estimate the great advantages of the reforms in its political life which are to be put into practice as well as all the advantages to flow from internal order thus created, which would guarantee life and freedom, prevent factional strife forever, and serve to develop rapid progress in the nation.

Washington, September 18, 1919.

DR. HENRIQUEZ Y CARVAJAL

839.00/2157

The Secretary of State to the Minister in the Dominican Republic (Russell)

No. 318 WASHINGTON, *September 27, 1919.*

SIR: I enclose herewith translations of two memoranda furnished the Department by Doctor Henriquez y Carvajal concerning the situation in the Dominican Republic,[9] and a copy of a confidential

[9] Memorandum of Sept. 5, p. 128. Memorandum of Sept. 9 not printed: it covers the same interview as Mr. Dunn's memorandum of Sept. 8, p. 130.

memorandum of a conversation between Mr. Hallett Johnson, of the Latin-American Division, and Señor Henriquez y Carvajal on the same subject.[9]

I shall be glad to receive an expression of your views and of those of the Military Government on the points presented in the memoranda of Doctor Henriquez y Carvajal. It has not been considered that there would be any immediate change in the policies of the United States towards the Dominican Republic, but nevertheless it was thought by receiving this gentleman and having him put his points of complaint or suggestions for improvement in a concrete form it might be advisable to discuss them with him and at the same time impress on him the fact that he could help greatly in the restoration of order and peace in the Republic if he would encourage all Dominicans to assist the Military Government and not to oppose it.

You will be notified whether Doctor Henriquez y Carvajal shall decide to proceed to Santo Domingo.

I am [etc.] ROBERT LANSING

839.00/2160

The Minister in the Dominican Republic (Russell) to the Secretary of State

No. 511 SANTO DOMINGO, *October 10, 1919.*
[*Received October 20.*]

SIR: I have the honor to inform you that the memorandums of Dr. Francisco Henriquez y Carvajal, delivered to Mr. J. H. Stabler in Paris and deposited in the State Department,[10] have been circulated extensively throughout the country, and as a result all sorts of political rumors were afloat as to an immediate change in the present situation. To counteract this, the Military Government published the following:—

The Military Government a few weeks ago suggested to the United States Government the advisability of taking as soon as possible some action regarding the petition of Dr. Francisco Henriquez y Carvajal for the restoration of the government of this country to the civil status which obtained prior to the military occupation, and that any decision reached should be given immediate publicity, for the purpose of putting an end to a state of uncertainty prevailing in the minds of the people, and to check the propaganda of political agitators. An answer has been received from the State Department in Washington to the effect that up to the present nothing has occurred to alter in the slightest the present situation. This information is published for the benefit of all interested parties.

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[9] Mr. Dunn's memorandum of Sept. 13, p. 131.
[10] Memorandum of April 14, p. 107; memorandum of May 12 not printed.

Dr. Francisco Henriquez y Carvajal is coming to this country solely as a Dominican citizen. He will enjoy the same rights and privileges and be subject to the same restrictions and responsibilities as other citizens of the Republic. The Military Government will always take pleasure in receiving the advice and suggestions of a distinguished citizen who has been honored with the Presidency of the Republic, but solely in his capacity of a private citizen.

No agitation, no political demonstration in connection with the presence of Dr. Henriquez in this country will be permitted, as not tending to the preservation of good order and the best interests of the country.

I am enclosing herewith copies and translation of an editorial published in one of the local papers in regard to the statements of the Military Government and of Dr. Henriquez y Carvajal.[11]

I have [etc.] WILLIAM W. RUSSELL

839.00/2161

Doctor Henriquez y Carvajal to the Secretary of State

[Translation [12]]

WASHINGTON, *October 27, 1919.*

A military Government enforcing military law was, through the military occupation of the territory of the Dominican Republic by North American forces of marines, set up in Santo Domingo by order of the Government of the United States of America as early as November 29, 1916. The national Government of that country ceased to function and the sovereignty of the Republic has been practically annulled. The Dominican people since that day have been and now continue to be subjected to the rigor of martial law, terrorized by the unbounded, ruthless and arbitrary repressions of the military forces and stripped of the personal liberties which are the attributes of the citizens in all the civilized countries of the world.

As President of the Dominican Republic, called to that office by the Congress which freely exercised the faculty conferred upon it by the Constitution, I protested against the North American military intervention and its consequences, and maintained that protest in its full force.

The situation in which the Dominican people are placed, unjust from every point of view of right, intolerable in practice, unnecessary to every salutary purpose, illogical in all its consequences, and in absolute conflict with all the principles and morals of international policy which are advocated in these days, cannot and must not be prolonged. The interest of the Government of the United States in

[11] Not printed.
[12] Substituted for file translation.

rectifying that situation must be as great as the desire of the Dominican people.

The conditions in the Republic are excellent and it is time to undertake therein a certain number of institutional reforms that may insure the stability of the national Government and the growing progress of the people.

Its debts are being paid off so rapidly that the country may within a few years find itself free from any pecuniary obligation. Its commerce is greatly increasing. Popular instruction is extending more and more. So that what the country requires is an administrative organization and policy adapted to its needs. All the leading Dominican representatives are agreed on this and it is for them to settle such questions.

The undersigned demands the restoration of the national Government of the Dominican Republic and stands on all the suggestions that he has offered in that respect to the Latin American Division of the Department of State in various memoranda and notes.

Being compelled to return to his present residence in Cuba for family affairs, the undersigned designates as his personal representative during his absence, Señor Tulio M. Cestero, former Minister of Santo Domingo in Cuba and in Spain and Italy, who will act on all the questions laid before the Department of State by the undersigned.

With the greatest consideration, your obedient servant,

DR. HENRÍQUEZ Y CARVAJAL

839.00/2162: Telegram

The Minister in the Dominican Republic (Russell) to the Secretary of State

SANTO DOMINGO, *October 29, 1919, 6 p.m.*
[*Received October 30, 5.16 a.m.*]

Military Government, after consulting with me, has named an advisory board of four prominent Dominicans headed by arbitrators [*Archbishop?*] to assist in administration by suggestions and advice and has reserved a place on this board for Doctor Henriquez if he cares to accept. Military Government thinks that if Henriquez wishes to come here he should do so and not keep flooding the country with political circulars. Latest one is dated Washington addressed to discreditable Dominican policy [*committee*] of Havana.

RUSSELL

839.00/2162 : Telegram

The Secretary of State to the Minister in the Dominican Republic (Russell)

WASHINGTON, *October 30, 1919, 6 p.m.*

Your October 29, 6 p.m.

Carvajal does not intend to go to Santo Domingo at this time and has returned to Cuba.

Mail Department full details as to powers, etc., of proposed advisory board.

LANSING

839.00/2168

The Military Governor of Santo Domingo (Snowden) to the Chief of Naval Operations (Coontz)[13]

2369–19 S–McG [SANTO DOMINGO,] *1 November, 1919.*

1. It was recently informally suggested by certain officials of the Department of State that it might be a good idea for the Military Governor to have an Advisory Council of native Dominicans and that this might appease the desire of Dominicans for a voice in their country's affairs.

2. After giving the suggestion much thought, it has been accepted and a few days since, October 27, the writer addressed letters requesting the services of the following distinguished Dominicans as members of such Advisory Council:

His Eminence Monsenor Adolfo A. Nouel, Archbishop of Santo Domingo.
Licenciado Francisco J. Peynado.
Licenciado Jacinto R. de Castro.
Mr. Federico Velasquez.

These gentlemen were suggested by the Archbishop after the writer had invited him so to do, but they were already well known to the writer either personally or by reputation. They are men of the highest integrity and of greatest influence upon national affairs. All of the above mentioned gentlemen have enthusiastically accepted the duty with expressions of the highest patriotism and appreciation.

3. Monsenor A. A. Nouel is an eminent patriot, of the highest intelligence, learning, and influence, beloved and respected throughout the country. He was provisional president of the Republic from December 1, 1912, to March 31, 1913.

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[13] Copy transmitted to the Secretary of State by the Acting Secretary of the Navy, Nov. 22.

Lic. Francisco J. Peynado is one of the leading lawyers of the Republic and an ex-Minister to the United States.

Lic. Jacinto R. de Castro is one of the leading lawyers of the Republic.

Mr. Federico Velasquez is chief of the Progressive Party and an ex-cabinet Minister of Finance of the Republic.

4. A place on this council has been reserved for Dr. Henriquez y Carvajal should he return to Santo Domingo and desire to aid in the plans for the future good of his country. His services here would be of more value to his country than his present propaganda from Washington, as shown in the appended circular.[14]

THOMAS SNOWDEN

839.00/2170

The Military Governor of Santo Domingo (Snowden) to the Chief of Naval Operations (Coontz)[15]

2369–19(2) S–FF SANTO DOMINGO, *7 November, 1919.*

Reference: (*a*) My letter 2369–19 S–McG of 1 November, 1919.

1. Inviting attention to Reference (*a*), the undersigned reports that the first meeting of the Advisory Council therein mentioned took place in the afternoon of November 5 and the session was most cordial and beneficial. There were present all the members:

His Eminence Monsenor Adolfo A. Nouel, Archbishop of Santo Domingo.
Licenciado Francisco J. Peynado.
Licenciado Jacinto R. de Castro.
Mr. Federico Velasquez.

2. The writer fully explained to the members the governmental policy being pursued, the financial condition of the republic, the condition of the public works under construction and the future policies and problems of the government, together with matters connected with the future development of the republic which required thought.

3. Much pleasure was expressed by the members at the gratifying state of affairs and cordial cooperation was assured. The several members declined to accept any remuneration for their services.

4. The credit for this measure is due the State Department, the undersigned having carried it into effect after much study. It appears officially as the voluntary act of the Military Governor.

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[14] Not printed.

[15] Copy transmitted to the Secretary of State by the Secretary of the Navy, Dec. 3.

5. There is enclosed a translation of an editorial article published in the *Listin Diario* of November 4, 1919, the principal newspaper in the republic, showing the cordial reception which the measure is everywhere receiving.[16]

THOMAS SNOWDEN

839.00/2179

The Minister in the Dominican Republic (Russell) to the Secretary of State

[Extract]

No. 530 SANTO DOMINGO, *December 5, 1919.*
[*Received December 26.*]

SIR: I have the honor to acknowledge the receipt of your No. 318 of September 27, 1919,[17] enclosing translations of two memoranda furnished the Department of State by Doctor Henriquez y Carvajal concerning the situation in the Dominican Republic, and a copy of a confidential memorandum of a conversation between Mr. Hallett Johnson, of the Latin American Division, and Dr. Henriquez y Carvajal on the same subject.

I am enclosing herewith a memorandum from the Military Governor in regard to the suggestions of Dr. Henriquez y Carvajal, and I fully concur in the position taken therein.

The Advisory Council is working in harmony with the Military Governor, and, although influenced somewhat by political aspirations, apparent in the attitude of the most patriotic of the Dominicans, yet, on the whole, the wisdom of the appointment of the Advisory Council is being daily demonstrated.

. . . . . .

I have [etc.] WILLIAM W. RUSSELL

[Enclosure]

The Military Governor of Santo Domingo (Snowden) to the Minister in the Dominican Republic (Russell)

2639–19 Sn–FF SANTO DOMINGO, *2 December, 1919.*

MY DEAR MR. RUSSELL: Replying to your recent request, I have the honor to state as follows, regarding the suggestions of Dr. Henriquez y Carvajal to Mr. Hallett Johnson and Mr. Rowe of the Department of State:

It is not practicable at the present time to suspend entirely,

(*a*) Military law and provost courts.

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[16] Not printed. [17] *Ante*, p. 135.

Civil order and individual rights are as ample and fully provided for as they can be under any strong government; full liberty is given, but not license. The local police and the territorial police or Guardia have full power in their work and are only aided when necessary by the military forces in reserve.

(*b*) It does not seem to the Military Government that a particular nomenclature is important or why Spain and Cuba should be criterions for this government. The judicial system in Santo Domingo consists of one supreme court, three courts of appeals, twelve courts of first instance, and sixty-eight justices of the peace. These tribunals seem to be sufficient, and generally speaking they correspond to those of Spain and Cuba. When the French codes were translated some seventy years ago, the name "juge de paix" was somewhat inappropriately rendered in Spanish as "alcalde", but this term has acquired sufficient authority by the lapse of time and there seems to be now no good reason to change it. The procedure of the Cuban courts is somewhat different and may be better than that of the Dominican courts. If so, a project for reform should be submitted for study. When the Occupation took place the Military Government was cautioned by the State Department that the Judiciary must be respected and given free and full exercise of their coordinate governmental function. This the government has faithfully adhered to, in spite of much abuse by that branch of their independent function in failing to punish certain miscreants of the legal profession.

The question of the election by the people of officers of the Municipal Councils is not a practical matter at the present moment when the old political parties, a mercenary, grafting, vicious, office-seeking clan are still awaiting preferment. It is not considered practical just now for the Military Government to effect its objects with the aid of municipal officers elected by a people who do not yet understand the proper use of the vote. This must be a gradual growth under new laws, and the time for it is not ripe.

(*c*) A general census has been contemplated, but it requires an expenditure better used for necessary public works and education. A census by the communal authorities is being taken, much of which has been done.

(*d*) A consulting commission of experts has been appointed and has been functioning for the past month. It consists of four of the most distinguished and eminent Dominicans. They meet weekly by themselves and again with the Military Governor. Its president is the Archbishop of Santo Domingo, a revered gentleman of the highest ability, learning and experience. The commission is now studying improvement in laws, general administration and the suggestions of Dr. Carvajal.

(*e*) The laws enumerated for inauguration are being studied: the civil service law and the sanitary law are already in use. The remaining laws will be promulgated long before they can be used.

The Civil Service system has been in use for a year or more in the Departments of Posts and Telegraphs and is now being extended to all other departments of the government.

The law of communications by air, by sea and by land, does not seem to be vital for the present.

The Military Government is rapidly gaining the confidence of the best people of the republic.

1. It is not deemed advisable or practicable to abolish the Provost Court, as that was established under the Proclamation of Occupation of November 26, 1916, for the trial of offenses committed against the Military Forces and is the only court of practical use for the purpose. It is not feasible to depend upon any Dominican courts for settlement of such cases. However, the Military Government is reducing as much as possible the scope of action of these courts and giving broad powers to the Dominican Courts. Provost courts have no jurisdiction over civil cases.

The Advisory Council to the Military Governor is now working with the undersigned to prepare a law which will equitably cover the matter.

2. Dr. Carvajal was invited to come to Santo Domingo and was offered a post as member of the Governor's Advisory Council, with pay, but declined. He was told that any suggestions he would offer would be gladly received and, if of value, would be carried out.

3. The present Censorship mentioned by Dr. Carvajal meets with the approval of the Advisory Council and consists only of the suppression of attacks on the existing government, personal controversies tending to disturb the public peace, and political and labor agitation. These cannot be permitted, otherwise the public and the press are unrestricted.

The circulars and articles by Dr. Carvajal are being permitted publication in the Dominican press, although most undesirable with respect to my need for political peace.

4. With respect to protection for Dr. Carvajal, if coming here, this country is absolutely at peace and no person needs any guarantees or protection except in a small section of the Eastern Province of Seibo where a moderate condition of banditry still exists, and this is being pacified by a process of conciliation and measures for bringing these people back to farming.

5. It is a fact that business is somewhat unsettled, due to the lack of announcement of policy by the American Government. If the people of Santo Domingo knew that the Military Government was

to remain here for ten or twenty years or until the public debt had been paid and finances placed upon a secure foundation, they would be very content and business would receive a great impetus and encouragement.

6. Dr. Carvajal's remark about the politicians trying to keep themselves before the people is true and applies most of all to himself and his constant flood of circulars emanating from Washington or Santiago de Cuba. He is not *persona grata* to the mass of the Dominican people, but is still someone to be reckoned with in default of a definite statement regarding the stay of the Military Government. The best people in all parts of the republic have repeatedly assured me that they did not want any other government, either their own or a civil government of foreign personnel until the objects for which the occupation was instituted should be completely effected.

Mr. Francisco J. Peynado, the most distinguished lawyer of the republic told me a few days ago that Dr. Carvajal told him that he did not want the immediate restoration of sovereignty, but after the objects for which the Military Government was installed had been carried out. There still exist the personal followings of certain chiefs of the old political parties, a relic of the feudal régime when men in all sections of the republic gave allegiance to a certain strong man, generally unscrupulous, and not to any national question or party.

Dr. Henriquez y Carvajal is discredited with the majority of Dominicans now and the evidence of such a man as the Archbishop of Santo Domingo, Monsenor Adolfo Alejandro Nouel, is of vastly more value. I beg to refer the Department to him for any information desired. He is a patriot, an ex-president of the republic, and a man of great prestige and influence. Not the founding of political parties, as Dr. Carvajal says, but the effacement of them, is necessary for the good of the country.

7. The undersigned now has a copy of Dr. Carvajal's suggestions to the Department of State (Mr. Rowe) [18] and is studying them, as is also, the Advisory Council, with a view to complying with them, if of merit. All of them, which are practical, had been previously begun or completed by the Military Government. Mr. F. J. Peynado presented the Military Governor a few days ago with a copy of the above paper sent him for me by Dr. Carvajal.

Very truly,

THOMAS SNOWDEN

[18] No communication addressed to Mr. Rowe by Dr. Carvajal has been found in the Department files.

123R911/115c: Telegram

The Secretary of State to the Minister in the Dominican Republic (Russell)

WASHINGTON, *December 10, 1919, 2 p.m.*

Department desires information as to present practice regard to Provost Courts, extent of control of censorship, and suppression right of assembly. You are instructed, first, to investigate these matters and after having collected all available information to proceed to Washington for consultation. Department considers that it would be advisable for you to be in Washington at same time representative of Military Government is here for Financial Conference January 12.[19] If necessary you are authorized to go into interior to collect complete information. Inform Department whether there are any reasons to make your absence from the Legation in January inadvisable.[20]

LANSING

FINANCIAL AFFAIRS[21]

Refusal of the Department of State to Consider the Customs Receivership as Extended by the 1918 Bond Issue—Provision of Additional Funds for Amortization of the Bonds—Transfer of Control of Internal Revenues from the Receivership to the Military Government

839.51/2021: Telegram

The Acting Military Governor of Santo Domingo (Fuller) to the Secretary of the Navy (Daniels)[22]

[Paraphrase]

[SANTO DOMINGO,] *December 28, 1918, 11.02 p.m.*

The following message is for the Department of State. Prospective investors in 1918 Dominican Bonds raise point that if $20,000,000 Bond[s] of 1908 are redeemed prior to January 1938, the custom Receivership terminates & 1918 bonds will therefore not have Amortization and interest guaranteed by U.S. Collector of customs. Military Government's interpretation of United States Government's consent issue 1918 bonds is that it constitutes an extension of provision of American Dominican convention of 1918 [*1907*][23] until both loans are fully redeemed. Investors' contentions tend to greatly reduce value of 1918 bonds. Strongly recommends immediate de-

[19] The Second Pan American Financial Conference; see vol. I, pp. 37 ff.
[20] In a telegram of Dec. 30, the Minister announced that he was sailing that day (File No. 123R911/116).
[21] Continued from *Foreign Relations*, 1918, pp. 371–380.
[22] Copy received in the Department of State Dec. 30, 1918.
[23] *Foreign Relations*, 1907, pt. 1, p. 307.

cision being given confirming military Governor's interpretation, original publication of decision in financial publication. 1918 bonds lately issued. Prestige of military Government will be greatly diminished if its interpretation is not upheld. Cable advices of action requested. 12028.

[No signature indicated]

839.51/2003 : Telegram

The Acting Secretary of State to the Consul at Santo Domingo (Edwards), Temporarily in Charge of the Legation in the Dominican Republic

WASHINGTON, *January 15, 1919, 5 p.m.*

Inform military government in answer message 12028 [23] that Department regrets cannot confirm military government's interpretation United States Government's consent issue 1918 bonds, as such interpretation would involve change treaty provisions, which executive branch this Government alone, without authority to make.

Treaty provisions apparently do not contemplate payment whole issue bonds therein mentioned prior to date maturity 1918 bonds. If prospective investors desire stronger assurance than this that collectorship will continue until such maturity, it is suggested that Dominican Government might make agreement with bankers providing that it will exert best efforts to assure such continuance by arrangement with Government United States.

POLK

839.51/2012

The Secretary of the Navy (Daniels) to the Acting Secretary of State

WASHINGTON, *January 25, 1919.*

SIR: I have the honor to quote the following dispatch which has been received from the Military Governor of San Domingo:—

"State Department's cable to American Minister, Santo Domingo, dated January 15th referring to my 12028 December regarding Dominican Bonds. Attention is invited to Opnav's letter 3627818–376 of July 26th [24] and copy of State Department's letter attached thereto.[25] State Department's action considered as conclusive approval of issuance of Executive order [26] and bonds as recommended

[23] *Supra.*
[24] Not printed.
[25] Letter of July 19, 1918, *Foreign Relations*, 1918, p. 376.
[26] Executive Order No. 193, *ibid.*, p. 377.

by Military Governor. Executive order provided for payment of interest and amortization from custom collections by receivership and as an additional provision under 1907 treaty for disposition of customs collections. Military Government did and feels it was warranted in placing interpretation set forth in my 12028 December. Good faith and prestige of Military Government at stake. Without the assurance of the continuance of receivership 1918 bonds will have market value which will be twenty to thirty points lower than 1908 loan which will be discredited [*to discredit*] of Military Government and United States Administration of Dominican affairs. Think publication of State Department letter above referred to will remove doubts from minds of purchasing public in the United States and San Domingo. Provisions for the continuance of receivership could be included in future treaty or convention when Military Government is discontinued. Request authority to publish State Department's letter. If not granted, recommend immediate steps to be taken to negotiate treaty covering point in question. 11323."

Sincerely yours,

JOSEPHUS DANIELS

839.51/2012

The Acting Secretary of State to the Secretary of the Navy (Daniels)

WASHINGTON, *February 12, 1919.*

SIR: I have the honor to acknowledge the receipt of your letter of January 25, 1919, in which you quote a despatch received by you from the Military Governor of Santo Domingo regarding the interpretation of this Government's consent to the issuance of the 1918 Dominican Bonds, it being the desire of the Governor, as expressed in a prior communication, that such consent should be construed as an extension of the provisions of the Convention of 1907 between the United States and the Dominican Government until both the bonds of the 1918 issue and those of 1908 are fully redeemed. The Governor states that this Department's action was considered by him as conclusive approval of the issuance of the Executive Order and the Bonds as recommended by him. The action referred to is understood to be that comprehended within this Department's letter of July 19, 1918, expressing the consent before mentioned, and the Governor requests authority to publish this letter.

In reply I beg to state that the sole question considered by this Department and covered by its letter to you of July 19, 1918, was the request of the Governor for this Government's consent under Article 3 of the Convention of 1907, to an increase in the public debt of the Dominican Republic. In passing on this general question the Department did not feel called upon to consider the particular form or phraseology of the proposed Executive Order or of

the bonds. Naturally, the granting of consent under the terms of the treaty, to an increase of the public debt, could not have the effect of extending the period of the Convention, since any arrangement respecting such extension, or modifications of the provisions of the Convention, would have to be in accordance with the usual formalities in such cases.

With respect to the Governor's request for permission to publish the Department's letter of July 19, 1918, I beg to state that if it is the purpose to connect with the publication of the letter comments intended to convey the impression that by giving its consent to the proposed bond issue, this Government had extended the period during which the Convention should continue in force, the Department could not authorize such publication. If, on the other hand, it is desired merely to show that this Government has consented to the increase of the public debt through the bond issue, there would appear to be no objection to publishing the letter.

I have [etc.] FRANK L. POLK

839.51/2024

The Consul at Santo Domingo (Edwards), Temporarily in Charge of the Legation in the Dominican Republic, to the Acting Secretary of State

No. 438 SANTO DOMINGO, *March 22, 1919.*
[*Received April 3.*]

SIR: As of interest to the Department, and with reference to your telegram of March 13—6 p.m., and my reply of March 18—3 p.m.,[28] I have the honor to enclose herewith copies of Executive Order No. 272, issued by the Military Government of Santo Domingo on March 13, 1919, providing for additional payments to be made to the amortization fund for the redemption of the 1918 issue of bonds for the payment of the awards of the Dominican Claims Commission of 1917.[29]

I have [etc.] CLEMENT S. EDWARDS

[Enclosure]

Executive Order No. 272, March 13, 1919, of the Military Government of Santo Domingo, Providing for Additional Funds for Amortization of the 1918 Bonds

WHEREAS, Executive Order No. 193 of the Military Government of Santo Domingo, issued at Washington, D.C., U.S.A., by authority of the Government of the United States, under date of August 2,

[28] Neither printed.

[29] See also p. 103.

1918,[30] provides for the payment of the awards to be made by the Dominican Claims Commission of 1917, by means of bonds of the Dominican Republic, dated January 1, 1918, and payable at par on or before January 1, 1938, and in paragraph 8 specifically guarantees and provides for the redemption of said bonds as follows:

"There is hereby pledged with the consent of the Government of the United States, from the customs revenues of the Dominican Republic, such amount as may be required for the payment of the stated interest of said bonds; and, to the amortization fund for the redemption and payment of said bonds on the redemption dates hereinbefore provided, the further sum per annum, to be deposited in equal monthly installments, beginning January 1, 1918, of an amount equal to one-twentieth of the total amount of the bond issue. The sums pledged in this paragraph shall constitute an additional charge upon all customs revenues of the Republic collected in accordance with the Convention of February 8, 1907, between the United States of America and the Dominican Republic, after their application to the first four objects designated in Article I of that Convention, and before any payment is made to the Dominican Republic. Additional payments for account of the amortization fund herein provided may be made at any time by the Dominican Government in its discretion."

And

WHEREAS, certain bankers and others who deal in such securities have expressed the opinion that there is a possibility of the termination of the American–Dominican Convention of 1907 before the retirement of all of the bonds of 1908 issued under the provisions of Executive Order No. 193 above mentioned, and the technical point thus raised has in fact adversely affected the market value of said bonds; and

WHEREAS, the possibility of the termination of the said American–Dominican Convention of 1907 before the redemption of all of the bonds of the issue of 1918 is wholly dependent upon the amount of customs revenues collected and consequently the rate at which additional amounts are applied to the sinking fund for the redemption of the bonds first issued in 1908 under said Convention, in accordance with the specific provision in Article I of said Convention reading as follows:

"*Provided*, that in case the customs revenues collected by the General Receiver shall in any year exceed the sum of $3,000,000.00, one-half of the surplus above such sum of $3,000,000.00 shall be applied to the sinking fund for the redemption of bonds"; and

WHEREAS, in view of this contingency it is advisable and necessary to provide for additional payments for account of the amortization fund for the redemption of the bonds of January 1, 1918, so that the

[30] *Foreign Relations*, 1918, p. 377.

market value of such bonds may be maintained at a parity with the bonds of 1908:

Now, THEREFORE, by virtue of the powers vested in the Military Government of Santo Domingo, there is hereby pledged from the customs revenues of the Dominican Republic, in addition to the amount heretofore pledged in paragraph 8 of Executive Order No. 193 above mentioned, a sum equal to sixty per cent of the one-half of the surplus above $3,000,000.00 of customs revenues from imports and exports collected by the General Receiver of Dominican Customs in any calendar year which would otherwise accrue to the Dominican Government, and said additional amounts shall be applied to the purchase and retirement of the bonds of the Dominican Republic dated January 1, 1918, in the following manner:

The total of the additional amounts pledged in the preceding paragraph shall be applied, so far as practicable, to the purchase of said bonds, without distinction as to series or denominations, at prices not in excess of par value. Beginning February 1, 1920, of the total amount available on February 1st of each year, one-third shall be applied to such purchases, and of the remainder available on March 1st of each year one-half shall be so applied to such purchases, and the total amount remaining available on April 1st of each year shall be so applied to such purchases. The Secretaria de Estado de Hacienda y Comercio of the Dominican Government, by means of notices published at least once each week during the months of December, January, February and March of each year beginning with December 1919, shall offer to purchase said bonds within the limits and on the dates herein specified; such notices shall be published in the *Official Gazette* of the Dominican Government, in one of the daily newspapers of the city of Santo Domingo, and in one of the daily newspapers of the city of New York. Proposals to sell said bonds shall be submitted in triplicate, on the forms prescribed by the Secretaria de Estado de Hacienda y Comercio, and shall be delivered in sealed envelopes to that office before ten o'clock a.m., of the dates specified for such purchases, and no proposal submitted in any other form or manner shall be considered. Such proposals shall be opened in the Secretaria de Estado de Hacienda y Comercio at ten o'clock a.m., on the dates specified for such purchases unless such dates should fall on Sundays or legal holidays in which event the opening shall take place on the day following, and the lowest proposals shall be accepted up to the amount available on that date for such purchase; if necessary to decide between two or more equal proposals the acceptance shall be decided by lot. Any person or firm who has submitted a proposal shall be entitled to be present either in person or by representative at the opening of the proposals. All bonds so

purchased, together with the interest coupons corresponding thereto, shall be duly registered as retired in the records of the Contaduria General de Hacienda and immediately cancelled and destroyed. Any part of the additional amounts herein pledged which, for any reason, is not utilized in the purchase of bonds as herein provided shall be applied to the amortization fund for the redemption and payment of said bonds in accordance with the provisions of Executive Order No. 193 hereinbefore referred to.

The General Receiver of Dominican Customs is hereby authorized to make monthly segregations, commencing as of date January 1, 1919, from the customs receipts of the Dominican Republic, of the proportional amounts representing the sixty per cent of the one-half of the surplus above $3,000,000 of customs revenues hereinbefore pledged and, on or before January 10th of each year to deposit the total of the sums so segregated during the preceding year with the Designated Depositary for the Dominican Government in the special account entitled "Dominican Republic 5% Bond Issue 1918"; and such segregations and deposits shall be regularly continued by the General Receiver of Dominican Customs until all of the bonds issued under authority of Executive Order No. 193 shall have been redeemed and paid.

The good faith of the Dominican Republic is hereby irrevocably pledged to the faithful compliance with the foregoing provisions, and this Order shall not be revoked or impaired by any law or decree which the Government of the Dominican Republic or any authority thereof may subsequently enact or issue, or by any interpretation thereof.

THOMAS SNOWDEN

SANTO DOMINGO, *13 March, 1919.*

839.51/2031

The Acting Secretary of the Navy (Roosevelt) to the Acting Secretary of State

WASHINGTON, *May 2, 1919.*

SIR: I have the honor to forward herewith, for such action as your Department may desire to take in the matter, a letter dated April 16, 1919, from the Military Governor of Santo Domingo in which he requests the revocation of instructions issued on June 16, 1916,[31] directing the General Receiver of Dominican Customs to assume control of finances of the Dominican Republic, and the col-

[31] Instructions were cabled to the General Receiver by the Bureau of Insular Affairs on June 15 (File No. 839.51/2077); they were received by him June 16. For text, see enclosure, *infra.*

lection of internal revenue and disbursement of Dominican funds. It is requested that the enclosed letter be returned for the files of this Department when it has served its purpose.

Very truly yours,

FRANKLIN D. ROOSEVELT

[Enclosure]

The Military Governor of Santo Domingo (Snowden) to the Chief of Naval Operations (Benson)

613–19 M–McG SANTO DOMINGO, *16 April, 1919.*

1. On June 16, 1916, the General Receiver of Dominican Customs received the following message from the Bureau of Insular Affairs:

"At the request of the State Department the Receivership shall at once assume control of finances of the Dominican Republic, the collection of internal revenue and disbursement of Dominican Funds."

In accordance with this message the General Receiver, on the same day, June 16, 1916, wrote to the Secretaria de Estado de Hacienda & Comercio and informed him that he had assumed control. Under date of June 17, 1916, the Secretaria de Estado de Hacienda & Comercio acknowledged receipt of the General Receiver's letter and stated that the control of the finances and collection of internal revenue were not covered by the Treaty of 8 February, 1907, and protested against the Receivership's order. The General Receiver on June 18, 1916, replied to the Department of Hacienda's letter written on the previous day stating that the decision as to the legality or justice of the action ordered did not rest with the Receivership and that, having received orders to establish control over the finances of the Republic, such control must be established, if possible, with the cooperation of the Department of Hacienda.

2. In the proclamation [32] issued at the time the Military Government took over the administration of the affairs of the Dominican Government, the following paragraph appears:

"All revenue accruing to the Dominican Government including revenue hitherto accrued and unpaid—whether from customs duties under the terms of the Treaty of February 8, 1907, (The Receivership established by which remains in effect)—or from internal revenue—shall be paid to the Military Government herein established, which will in trust for the Republic of Santo Domingo, hold such revenue and will make all the proper legal disbursements therefrom necessary for the administration of the Dominican Government, and for the purposes of the Occupation."

[32] Proclamation of Nov. 29, 1916, *Foreign Relations*, 1916, p. 246.

It is understood that the wording of this proclamation was approved by the State Department and by the President of the United States before it was published.

3. Notwithstanding the issuance of the proclamation referred to in the preceding paragraph the cable instructions to the General Receiver of Dominican Customs of June 16, 1916, have never been definitely cancelled.

4. The placing of the Receivership in control of the collection of internal revenue and of disbursements was naturally a temporary expedient. It was not contemplated by the American–Dominican Convention of 1907, and naturally terminated upon the proclamation of Military Government. From the date of the establishment of the Military Government the collection of internal revenue and the disbursement of Dominican funds has been handled in accordance with the proclamation, and all control over the finances has been by the Military Governor through the officer detailed to administer the Department of Hacienda & Comercio. The Department of Internal Revenue and the Contaduria General de Hacienda are subdepartments under the direct charge of Special Deputy General Receiver J. H. Edwards, and have been organized as entirely separate from the customs Receivership, and as directly subordinate to the Secretaria de Hacienda & Comercio. The Administration as conducted has been most successful. Mr. J. H. Edwards has been untiring in his work which has been satisfactory in every respect.

5. The failure of the State Department to cancel the instructions of June 16, 1916, has resulted in an anomalous situation. It is assumed that the State Department regarded its instructions as automatically cancelled by the proclamation of Military Government since said proclamation had its approval. However, in order that there may be no cause for any possible conflict of authority at any future time, it is strongly recommended that the cable instructions before referred to be withdrawn by the State Department through the Bureau of Insular Affairs.

6. It is not the intention of the Military Governor to make any radical changes in the system which has proved so successful in actual operation during the past years of the occupation, and, in fact, it is desired to retain Special Deputy General Receiver J. H. Edwards in charge of the Contaduria, and the only change will be that his salary will be paid from Dominican Government funds instead of from Receivership funds.

7. Mr. C. H. Baxter, the General Receiver of Dominican Customs, has signified verbally his consent to the separation of Mr. J. H. Edwards from the nominal service of the Receivership to accept service

under the Dominican Government and Mr. Edwards has made known his approval of the change.

8. Mr. Baxter has expressed the opinion that the collection of internal revenue should be combined with the collection of the customs duties under the Receivership. This the Military Governor does not agree with for the following reasons:

First: The American Dominican Convention of 1907 does not provide for the collection of internal revenue by the Receivership but for the collection of import and export duties only. To permanently place the collection of internal revenue under the Receivership would be a direct and unjustified violation of the convention.

Second: The very few internal revenue imposts now collected by internal revenue agents at the custom houses will become a part of the customs tariff when the new tariff is approved to become effective on January 1, 1920.

Third: The nature of the collections made by the two services are so different as to necessarily require separate and distinct organizations. Custom Houses are established at the principal ports and on the Haitian border only. Internal revenue is collected in every town, village and com[m]une of the Republic.

Fourth: The present organization of the Internal Revenue Department has proved itself most efficient and is so organized as to effect maximum collections at minimum cost.

Fifth: The present system as established is one which has proved its value and which can be handed over intact to a Dominican administration at such time as the United States may see fit. This would not be the case were it organized as a part of the Receivership, as in that case it would have to be separated from the Receivership and a new organization established.

As the collections of internal revenue are not in any way applicable to the payment of the 1908 loan which the Customs Receivership was established to insure, no valid reason can exist for transferring the present efficient Internal Revenue Department to the Receivership. No good purpose would be served and the Military Governor must therefore emphatically differ from Mr. Baxter on that point.

THOMAS SNOWDEN

839.51/2031

The Acting Secretary of State to the Minister in the Dominican Republic (Russell)

No. 294 WASHINGTON, *June 14, 1919.*

SIR: The Department has had under consideration the request made by the Military Governor of the Dominican Republic to transfer to the Military Government the collection of the internal revenues of the Republic.

After careful consideration of the subject, the Department has reached the conclusion that it cannot approve the proposed transfer, and you will so inform the Military Governor.

I am [etc.] FRANK L. POLK

839.51/2052

The Secretary of War (Baker) to the Acting Secretary of State

WASHINGTON, *July 16, 1919.*

MY DEAR MR. SECRETARY: Through the medium of the *Official Gazette* of Santo Domingo the Bureau of Insular Affairs has been made acquainted with the provisions of certain Executive Orders issued by the Military Governor of Santo Domingo: namely,

Order No. 193, dated August 2, 1918, providing for the payment of the awards to be made by the Dominican Claims Commission of 1917 by means of bonds of the Dominican Republic dated January 1, 1918, payable January 1, 1938.[33]

Order No. 225, dated November 6, 1918, providing for the payment of cash in lieu of bonds of Series L of the denomination of $50.00 authorized to be issued under the provisions of Executive Order No. 193.[34]

Order No. 272, dated March 13, 1919, providing that of the one-half of the excess of customs collections over $3,000,000 to which the Dominican Government is entitled annually under the Convention of February 8, 1907, 60% shall be applied to the purchase and retirement of the bonds of January 1, 1918.[35]

Also the Acting Secretary of State has furnished the Bureau of Insular Affairs a copy of your Department's letter of July 19, 1918, to the Secretary of Navy constituting the consent of the United States to the increase in the debt of Santo Domingo.[36]

An examination of the Executive Orders of the Military Governor of Santo Domingo above enumerated shows that certain duties are thereby placed upon the General Receiver of Dominican Customs.

As you are aware, the duties of the General Receiver of Customs of Santo Domingo are laid down in the Convention of 1907, and the general regulations for the guidance of the Receivership in pursuance of the Convention are contained in Presidential decree of July 25, 1907.[37] This latter document places the immediate supervision and control of the Receivership in the Bureau of Insular Affairs and provides that the accounts of the General Receiver shall

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[33] *Foreign Relations*, 1918, p. 377.
[34] Not printed.
[35] *Ante*, p. 148.
[36] *Foreign Relations*, 1918, p. 376.
[37] *Ibid.*, 1907, pt. 1, p. 317.

be referred for examination and verification to that Bureau. The procedure in the only precedent—that of the issue of $1,500,000 bonds to meet an exigent condition—is shown in a letter from the Secretary of State, dated March 10, 1913,[38] and, for ready reference, a copy is enclosed. However the practice of the Military Government's issuing orders direct to the Receivership may have developed—whether in the desire to expedite public business, or for whatever cause—it is a question whether such method of issuing orders is not establishing a practice which under different mutual relations might prove embarrassing. If this view be accepted, would it not be wise to take such action as would effectually dispose of the force of the precedent already established by the Military Government?

To prevent any delay in the carrying out of the plan outlined in the Executive Orders above referred to, the Bureau of Insular Affairs has today issued to the General Receiver of Customs at Santo Domingo instructions to proceed in accordance with the Orders in question.

In placing under the Receivership any further duties as to segregation of funds in addition to those provided for in the Convention, it is well to keep in mind that the funds so segregated shall be controlled by the Receivership, or the agencies through which they are controlled shall be fully known—in being, authority and responsibility—to the Receivership, and it shall be kept fully informed of the handling of such additional segregated funds. It is submitted that in no other way should the fact of its agency in the transaction be given out as a responsible part of the machinery to guarantee the payment of any Santo Domingan debt. The procedure in the liquidation of the loan of $1,500,000 referred to above is shown in Appendix " F ", page 55, of the sixth annual report of the Dominican Customs Receivership—this being the only precedent—a copy of which, for convenient reference, is inclosed.[39]

When available, it is requested that the Bureau of Insular Affairs be advised as to the exact amount of the present floating debt of the Republic as determined by the Claims Commission of 1917. There is also some doubt as to the precise date on which the segregation of funds for the service of this bond issue should be commenced by the Receivership; also whether segregations should be made on the basis of the total amount of the floating debt as finally determined by the Claims Commission, or on the basis of the debt as the same may, from time to time, be settled with the several claimants.

Very sincerely,

NEWTON D. BAKER

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[38] *Foreign Relations*, 1913, p. 466.

[39] Not printed.

839.51/2052

The Secretary of State to the Secretary of War (Baker)

WASHINGTON, *August 6, 1919.*

MY DEAR MR. SECRETARY: I have your letter of July 16, 1919, concerning the Dominican Republic five percent bond issue. You point out that the Bureau of Insular Affairs of the War Department is vested, by an Executive Order of July 25, 1907, with supervision and control of the Receivership of the Dominican customs and that, in accordance with the procedure followed in case of a former bond issue in 1913, the Department of State requested the Bureau of Insular Affairs to direct the General Receiver to comply with the decrees governing the loan, which procedure appears not to have been followed in the case of the 1918 bond issue. You ask that some step be taken to destroy the effect of the procedure adopted in the present case as a precedent in future cases, on the ground that it might be embarrassing if the relations between the United States and the Government of the Dominican Republic were not as close as at the present time. You also point out that, in view of the Executive Order of 1907 and the provisions of the Customs Convention of 1907, the Receivership should have close control over the handling of funds segregated in connection with the loan. You ask in addition that you be advised of the exact amount of the present floating debt of the Dominican Republic as determined by the Claims Commission of 1917, as soon as such information is available, and request an expression of opinion as to the basis on which segregations in service of the bond issue shall be made as well as the time of commencement of segregation.

A copy of Executive Order No. 193, issued by Admiral Knapp, Military Governor of the Dominican Republic, on August 2, 1918, was transmitted to you by this Department under date of February 27, 1919. No copy of Executive Order No. 225 of November 6, 1918, has been received by this Department except in the form published in the *Gaceta Oficial* of Santo Domingo nor has any copy of the Executive Order No. 272 of March 13, 1919 been received by this Department from official sources. Copies of the two latter decrees have accordingly never been transmitted to you.

With regard to the procedure which has been adopted in the case of the present bond issue, the apparent action of the Military Governor in assuming to impose duties upon the General Receivership without requesting an order to that effect from the Bureau of Insular Affairs of the War Department has, no doubt, been due to misapprehension arising from the relations existing between the Military Government of the Dominican Republic and a Depart-

ment of the United States Government. In order, however, that the procedure in the present case may not become a precedent for future action, a copy of your letter has been transmitted to the American Legation at Santo Domingo with instructions [40] to present it and point out to the Military Government the control over the Receivership which is vested in the Bureau of Insular Affairs of the War Department and the appropriate practice of obtaining an order of the Bureau of Insular Affairs directed to the Receivership in case any duties are imposed upon the Receivership. It is thought that this, in connection with the orders which have already been issued by the Bureau of Insular Affairs to the General Receivership of Customs at Santo Domingo to proceed in accordance with orders 193, 225, and 272, will cure the defects of the existing situation.

The American Legation at Santo Domingo has also been instructed to obtain information as soon as possible as to the exact amount of the present floating debt of the Republic, as determined by the Claims Commission of 1917. When this information is received it will be promptly transmitted to your Department. The attention of the Military Government is also being called to your suggestions with regard to the necessity for close control by the Receivership of any funds segregated in service of the bond issue, and the opinion of the Military Government has been asked with regard to the time and basis of segregation of funds in connection with the loan, as to which, however, Executive Order No. 272 of March 13, 1919, would appear to contain definite provisions.

I am [etc.] ROBERT LANSING

839.51/2076

The Acting Secretary of the Navy (Benson) to the Secretary of State

WASHINGTON, *August 25, 1919.*

SIR: In regard to the anomalous situation in Santo Domingo, reconsideration is urged of the decision transmitted to the Military Government of Santo Domingo by the American Minister, the Honorable William W. Russell, in a letter dated July 24, 1919.[41]

From the letter of the Military Governor (File No. 1599–19–MF of August 2, 1919, to the Chief of Naval Operations),[42] it is evident that the position in which the Military Governor is placed by the State Department's refusal to withdraw the cable instructions to the

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[40] Instructions of July 31 not printed.

[41] Not printed; see instruction No. 294, June 14, to the Minister in the Dominican Republic, p. 154.

[42] Not printed.

Receivership of June 16, 1916,[43] is untenantable. It in effect cancels a part of the Proclamation of Military Government and places the Military Governor in the position of carrying the responsibility for the conduct of Dominican affairs and yet not being trusted with the control of the receipt and disbursement of Dominican funds. It virtually takes the Department of Finance from his control and places it under the control of a representative of the War Department. It splits the government in two and divides the responsibility between Navy and War Departments. It makes the Military Governor, the executive power, entirely dependent upon the will of the General Receiver of Dominican Customs (a subordinate of the Bureau of Insular Affairs of the War Department) for the necessary funds to carry on the government.

The State Department, from the wording of the letter of the American Minister referred to above (copy attached) apparently is under the impression that a *transfer* of certain functions was requested by the Military Government. This impression is entirely erroneous. The Military Government merely desired the formal withdrawal of the cable instructions to the Receivership of June 16, 1916, and the approval of the handling of the finances in the manner set forth in the Proclamation of Military Government. The finances are now, and have been since the installation of Military Government, so handled, and it is a formal approval of the existing method, and not of a *change*, which is requested.

It is felt that the Department of State acted in this matter under a misapprehension of the true facts and without all the facts before it. The situation is so anomalous, so contrary to the Proclamations of Military Government and to the terms and requirements of the Convention, that this Department feels that it is duty bound to point out the facts of the matter and urge careful reconsideration of this most important matter.

Very truly yours,

W. S. Benson

839.51/2073

The Acting Secretary of State to the Secretary of War (Baker)[44]

Washington, *October 23, 1919.*

Sir: In view of the fact that the Military Government of the Dominican Republic is a responsible Government and is faithfully carrying out its obligations as a successor of the Constitutional Dominican Government, this Department is of the opinion that it is no longer necessary for the Receivership to control the collection and

[43] See footnote 31, p. 151.

[44] Copy of letter transmitted the same date to the Secretary of the Navy.

disbursement of the internal revenue funds and desires to suggest that the Receiver be instructed to withdraw from such control.

The Department considers that the effect of the proclamation of Military Government of November 29, 1916 was to place the control of the internal revenue funds in the Military Government according to the following clause.

"All revenue accruing to the Dominican Government, including revenues hitherto accrued and unpaid,—whether from customs duties under the terms of the Treaty concluded on February 8, 1907, the Receivership established by which remains in effect, or from internal revenue, *shall be paid to the military government* herein established which will, in trust for the Republic of Santo Domingo, hold such revenue and will make all the proper legal disbursements therefrom necessary for the administration of the (recognized?) Dominican Government and for the purposes of the occupation." (839.00/1952)

I have [etc.] WILLIAM PHILLIPS

839.51/2077

The Secretary of War (Baker) to the Secretary of State

WASHINGTON, *October 28, 1919.*

Subject: Collection of Internal Revenue in Santo Domingo.

SIR: I beg to acknowledge your letter of October 23rd in which you say on this subject that your Department is of the opinion that it is no longer necessary for the Receivership to control the collection and disbursement of the internal revenue funds and desires to suggest that the Receivership be instructed to withdraw from such control.

This letter has been transmitted to the Bureau of Insular Affairs, and the instructions suggested by you have today been issued by cable, as shown in the inclosure. For convenient reference, I also inclose copy of the instructions dated June 15, 1916.[45]

For a number of years prior to the establishment of the Military Government in Santo Domingo it was felt by the Department of State and the Receivership that it would materially assist the government of the Republic in the maintenance of law and order and a stable government if the collection of these funds and their disbursement under the laws of the Republic were in the hands of the Receivership. When the Military Government is succeeded by a Dominican Government it will again be found of advantage to have this work done by the Receivership. For that reason, the Bureau had hoped that the Receivership would continue the work during the

[45] Enclosures not printed; see letter of the Acting Secretary of the Navy, May 2, 1919, and its enclosure, p. 151.

existence of the American Military Government in order that its successor would not feel that an offensive condition was being imposed on it if it should be required that the Receivership take over the collection of the internal revenues. The Bureau of Insular Affairs, however, feels that the authority and responsibility being with the Military Government, the services could be performed by the Receivership satisfactorily only in case of complete accord with the Military Government and with its full approval.

Very respectfully,

NEWTON D. BAKER

TARIFF REVISION [46]

Transfer to the Customs Collection of Surcharges Formerly Collected as Internal Revenue—Appointment of a Tariff Commission with Instructions to Draft Reduced Rates—Publication of the Revised Tariff

639.003/51

The Secretary of the Navy (Daniels) to the Secretary of State

WASHINGTON, *February 8, 1919.*

SIR: Referring to previous correspondence in connection with a change in the revenue laws of the Dominican Republic proposed by the Military Governor of Santo Domingo, I have to inform you that your letter of January 11, 1919 (LA 639.002/48)[47] has been referred to the Military Governor for the additional information requested therein. The following telegram has been received from the Governor dated February 5, 1919:

"Present custom collections averaging over four million per annum. Under present alcohol and stamp laws, custom surcharges amounting to about two hundred thousand dollars per year are collected as internal revenue and applied direct to current expenses. New law merely provided for economic and simple method of collection of equal amount by custom collectors. If new law is approved and payment permitted of total for current expenses as per executive order, collections under convention will not be affected. If law is approved and funds collected are treated as other custom collections, sinking fund will be increased by about one hundred thousand dollars per annum with corresponding loss to Dominican Treasury income."

It is presumed that more detailed information will be received by mail from the Governor on this subject, and when received it will be forwarded to your Department.

Sincerely yours,

JOSEPHUS DANIELS

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[46] Continued from *Foreign Relations*, 1918, pp. 380–397.

[47] *Ibid.*, p. 396. The file reference here is incorrect; it should read "LA 639.003/48."

639.003/52

The Acting Secretary of State to the Secretary of the Navy (Daniels)

WASHINGTON, *April 2, 1919.*

SIR: I have the honor to acknowledge the receipt of your letter of March 20, 1919,[48] in further relation to a proposed Executive Order to be issued by the Military Governor of San Domingo, providing for a transference to the customs collections of certain customs surcharges now collected as internal revenue under the existing alcohol and stamp laws and applied directly to the payment of the current expenses of the Government. It appears from the information communicated in your letter that such collections amount to about $200,000 a year, and that the effect of the transference will be to increase the customs collections by that amount.

In reply I beg to refer you, in the first instance, to the letter from this Department of January 11, 1919,[49] wherein it was stated that, under Article I of the Treaty of 1907 between the United States and the Dominican Republic, it would not appear practicable for the Dominican Government to change the classification of a tax from internal revenue to customs revenue, and to apply it in the same manner as internal revenue is now applied, which appeared to be the plan that the Military Governor had in mind to accomplish by the proposed Executive Order. As stated in that letter from the Department, the application of customs revenue is governed by the provisions of said Article of the treaty, the proviso to which sets forth that, in case the total customs revenue exceeds $3,000,000 in any year, half the surplus above that amount must be applied to the sinking fund for the redemption of bonds. Therefore, as added in that letter, the Government of the United States could not well give its approval to any change in the customs laws of the Dominican Republic which would not make provision for observance of the treaty stipulations as to the disposition of the revenues arising from such laws.

However, from your letter under acknowledgment, it appears that the Military Governor of San Domingo is willing to amend the proposed Executive Order so as to provide for the application of the funds affected thereby in accordance with the treaty requirements.

Moreover, this Department has been supplied with a certificate of the Bureau of Insular Affairs, War Department, showing that the total net collections from customs in the Dominican Republic for the year 1917 was over $5,000,000, and for the year 1918, with one month missing, was nearly $4,000,000.

Article III of the treaty mentioned provides that an agreement between the United States and the Dominican Republic shall be

[48] Not printed.
[49] *Foreign Relations*, 1918, p. 396.

necessary to modify the import duties of the Dominican Government, "it being an indispensable condition for the modification of such duties that the Dominican Executive demonstrate and that the President of the United States recognize that, on the basis of exportations and importations to the like amount and the like character during the two years preceding that in which it is desired to make such modification, the total net customs receipts would at such altered rates of duties have been for each of such two years in excess of the sum of $2,000.000 United States gold."

In view of the foregoing, it may be said that the Dominican Executive has made the necessary showing under the provisions of the treaty as to the amount of the customs receipts for the past two years, and you are therefore authorized and directed to state to the Military Governor of San Domingo that the Government of the United States agrees to the proposed modification of the import duties, but only upon the condition that the receipts from the increased duties shall be applied in accordance with the provisions of the treaty of 1907.

I have [etc.] WILLIAM PHILLIPS

639.003/55

The Acting Secretary of State to the Minister in the Dominican Republic (Russell)

No. 288 WASHINGTON, *May 27, 1919.*

SIR: The Department is informed of an intention on the part of the Military Government to revise the tariff in Santo Domingo.[50] You are requested to report on the circumstances which might have the effect of necessitating a change in the tariff rates, and to make such comment as you may be disposed for use by the Department in passing upon the new schedules.

I am [etc.]

For the Acting Secretary of State:
WILLIAM PHILLIPS

639.003/58

The Minister in the Dominican Republic (Russell) to the Acting Secretary of State

No. 477 SANTO DOMINGO, *July 6, 1919.*
[*Received July 23.*]

SIR: I have the honor to acknowledge receipt of your No. 288 of May 27 (File No. 639.003/55), in regard to an intention on the part of the Military Government to revise the tariff in Santo Domingo.

[50] See report of Apr. 17, of the Military Governor of Santo Domingo, p. 99.

I enclose herewith copies of Executive Order No. 280 creating the Dominican Tariff Commission. This Commission is now at work on a report to be submitted to the Military Governor recommending a reduction of the tariff on imports, due regard to be had to the provisions of the American–Dominican Convention of 1907.

I have [etc.] WILLIAM W. RUSSELL

[Enclosure]

Executive Order No. 280, April 7, 1919, of the Military Government of Santo Domingo, Creating the Dominican Tariff Commission

1. By virtue of the powers vested in the Military Government of Santo Domingo, a commission to be known as "The Dominican Tariff Commission" is hereby created for the purpose of preparing a revision of the Dominican Customs Tariff for the consideration and approval of the Military Governor.

2. The Commission will be composed of:

Chairman, J. H. Edwards, Special Deputy General Receiver.
Member, Alfredo Ricart y O., Para Camara de Comercio Santo Domingo.
Member, Julio Senior, Special Inspector Customs Receivership.
Member, R. A. Alburquerque, Interventor de Aduana Santo Domingo.
Member, R. H. Vorfeld, From Washington, D. C.
Secretary, L. E. Lavandier, Official Translator Customs Receivership.

3. The Commission shall have its headquarters at the city of Santo Domingo in the office designated for that purpose by the Secretaria de Estado de Hacienda y Comercio, and will be called to meet by the Chairman at as early a date as practicable after the issuance of this order. The work of the Commission shall be conducted under the direction of the Chairman in accordance with instructions to be issued from time to time by the Military Governor.

4. The Commission is hereby authorized and directed to examine and make use of the statistical and other data compiled by the General Receiver of Dominican Customs relating to importations, exportations, and the application of the present tariff thereon; to consult with and invite suggestions from the General Receiver of Dominican Customs, importers, exporters, and other interested parties; and, in its discretion, to hold special sessions for hearing arguments on debatable points.

5. In order that the business interests involved may have as much time as possible in which to prepare for the inauguration of the revised tariff, the Commission is directed to submit its report not later than September 1, 1919, in such form that the new tariff may be published not later than October 1, 1919, to become effective on January 1, 1920.

6. The Commission is hereby instructed to investigate and in its report recommend, so far as may be practicable, proper adjustment of inequitable rates or inconsistencies in the provisions of the present tariff; and, in general, to recommend an appreciable reduction of the rates of duty on imported articles which are not produced in quantity in this country and which are ordinarily classed as necessities in contrast to articles of luxury. In this connection the attention of the Commission is called to the stipulation in the American–Dominican Convention of February 8, 1907, which reads as follows:

"Until the Dominican Republic has paid the whole amount of the bonds of the debt its public debt shall not be increased except by previous agreement between the Dominican Government and the United States. A like agreement shall be necessary to modify the import duties, it being an indispensable condition for the modification of such duties that the Dominican Executive demonstrate and that the President of the United States recognize that, on the basis of exportations and importations to the like amount and to the like character during the two years preceding that in which it is desired to make such modification, the total net customs receipts would at such altered rates of duties have been for each of such two years in excess of the sum of $2,000,000.00 United States gold."

and the Commission is directed to submit with its report the basis for the demonstration referred to in that stipulation.

7. The sum of $6,000.00 or such part thereof as may be necessary is hereby made available from funds not otherwise appropriated, to defray the expenses of the Commission; such expenses shall be incurred only upon specific authorization in advance by the Secretaria de Estado de Hacienda y Comercio, and vouchers drawn in accordance with such authorizations when approved by the Chairman of the Commission shall be paid in the usual manner and charged to this special appropriation.

8. The Dominican Tariff Commission shall cease to exist when the object for which it is created shall have been attained.

THOMAS SNOWDEN

SANTO DOMINGO, *April 7, 1919.*

639.003/60

The Minister in the Dominican Republic (Russell) to the Secretary of State

No. 492 SANTO DOMINGO, *August 8, 1919.*

[*Received August 22.*]

SIR: Referring to your No. 288 of May 27 (File No. 639.003/53[50]), and to my reply thereto, No. 477 of July 6, I now have the honor

[50] Incorrect reference; should read 639.003/55.

to enclose herewith a copy of the Preliminary Report and Recommendations of the Tariff Commission,[51] and a copy of the final instructions from the Military Governor to the Commission.

I have [etc.] WILLIAM W. RUSSELL

[Enclosure]

The Military Governor of Santo Domingo (Snowden) to the Dominican Tariff Commission

1562–19 S–FF SANTO DOMINGO, *1 August, 1919.*

1. Receipt is acknowledged of the preliminary report and recommendations submitted by the Commission under date of July 21, 1919.

2. After due consideration of the information contained therein, and of the recommendations submitted, the following final instructions are issued for your guidance; pertinent comment and observations are made on certain points which do not require instructions to the Commission.

3. EFFECTIVE DATE OF REVISED TARIFF. The revised tariff will be promulgated to take effect January 1, 1920.

4. IMPORT TARIFF RATES. In the revision of the tariff on imports, the Commission will be guided by the following considerations, bearing in mind however, that these instructions are not intended to be so binding as to interfere with the judgment of the Commission in respect to different treatment that may appear necessary in the light of its experience and further study. The latitude here given appears especially necessary in view of the recognized difficulty of making precise adjustment of rates to 1920 or subsequent values due to the uncertain market conditions throughout the world.

(*a*) *Tariff Structure.* The Commission will adhere to the present tariff scheme and structure, making only such changes as are necessary to harmonize the tariff with the instructions which follow, clear up obscurity of meaning, and include or specifically provide for certain articles or products which are at present assessed under "catch-all" paragraphs.

(*b*) *Basis of Assessment.* It appears advisable that specific rates of duty should be made the basis of assessment whenever practicable; the continuance is desired, however, of advalorem, conditional advalorem, and compound specific and advalorem rates in the proportion and degree that may be found advisable in the judgment of the Commission.

(*c*) *Minimum and Maximum Yield of Revised Tariff.* The recommendation for conditional abolition of export duties is approved.

[51] Not printed.

The Commission will therefore draft an import tariff designed to yield not less than $2,700,000 and not more than $2,900,000 per annum, making due allowance for probable increase in importations as a result of reduced rates, and basing the estimate of yield on the average volume of imports during the years 1917 and 1918.

(*d*) *Equalization and Reduction of Rates.* First consideration should be given to the correction of absurd or prohibitive rates which result in unnecessary curtailment of imports and sacrifice of revenue. Taking as a basis the values prevailing during 1918, as nearly as they can be ascertained, it is desired that the new tariff be framed so that the highest import duties applied to any group or class of articles will be on a basis that will not exceed the equivalent of 30% of such average values, and that this maximum be restricted so far as possible to what are generally considered articles of luxury. From this maximum equivalent it is desirable that the rates be graduated downward for articles of comfort, utility or necessity in somewhat the following sequence: wearing apparel, textiles, household goods, pharmaceutical and chemical products, hardware, foodstuffs, means of transportation, building materials, etc., etc. Obviously, for reasons of expediency, variations are to be made from this order in the discretion of the Commission, particularly having in mind that no horizontal reduction in rates is desired but that it is preferable to allocate the gross amount of the contemplated reduction to a selected list of articles on which such reduction actually will accrue to the benefit of the consumer. The Commission further is authorized to maintain or merely equalize the existing rates on certain articles, whatever their class may be, which normally produce the greater portion of the total revenue, in the proportion and degree as may be found necessary to make up the total required revenue from customs duties on imports.

(*e*) *Free List.* Bearing in mind the required revenue yield it is desired to include in the free list as many as possible of the following groups or classes of articles: machinery, machine parts, tools, containers and packing materials for national products, transportation media, building materials, products and appliances for the promotion of hygiene, and generally articles which contribute to the agricultural, industrial and social development of the country, and specifically as many as possible of those articles which are now imported in insignificant quantities on which it is found that the total duty collected during the year 1918 did not amount to $300.00.

(*f*) *Protection of Dominican Industries.* It is desired to continue, moderately and equitably, protective rates for the benefit of Dominican industries; moderately and equitably should be understood to mean that no such rates should be fixed to the extent of placing an unwarranted burden on consumers or to wholly exclude

from competition in this market of the same class of articles manufactured abroad.

(*g*) *Drawback Privilege.* It is desired that appropriate provision be made in the tariff law for the refund of duties paid on imported products or articles which subsequently enter into completed articles of local manufacture and re-exported. Such provision should be conservatively and carefully worded and adequate safeguards provided against frauds and abuses.

(*h*) *Provision for Future Reduction of Rates.* It is desired that an appropriate provision be incorporated in the tariff law so that the rates on certain specified articles or classes or groups of articles shall be automatically reduced effective on future specified dates in the event that the gross customs collections on imports in any calendar year shall exceed $3,000,000, and in the event that the total gross receipts under the new property tax law in any calendar year shall exceed $1,200,000.

5. Internal Revenue Tax on Imports. The recommendation that the Internal Revenue tax on imports be abolished is approved and the Commission is directed to include in the customs import rates such proportion as may be necessary to equalize them with the rates of excise taxation, the principle being that imported goods should not bear total taxes less than those imposed on the same class of goods produced locally.

6. Abolition of Other Taxes. Due note has been taken of the Commission's recommendation that the stamp tax on customs, documents, tonnage dues, and certain export duties levied by Municipalities be abolished, and that wharfage dues be placed on a service-cost basis, that is to say a charge for services rendered instead of a tax for revenue. Those recommendations are approved, in principle. The reforms can be made effective January 1, 1920, if the amount of the income from the new property tax law is sufficient to offset the loss of revenue, and if assurance can be had that transportation companies will reduce freight rates correspondingly so that consumers may receive the benefit.

7. With its final report submitting the revised tariff law, the Commission is requested to submit:

(*a*) The demonstration of probable yield of the new tariff which must be submitted to the government at Washington for approval in compliance with the terms of the American–Dominican Convention of 1907.

(*b*) A draft of administrative regulations governing the inspection and certification of goods accorded the exemption from export duties.

(*c*) A draft of such Executive Orders as may be necessary to cover the abolition of the Internal Revenue Tax on im-

ports; and, for future consideration, the abolition of the stamp tax on customs documents, tonnage dues, Municipal Export duties, and placing the wharfage dues on a service-cost basis.

(*d*) A draft of administrative regulations governing the application of the drawback feature of the new tariff.

8. Careful consideration will be given the recommendations of the Commission relating to: The possibility of obtaining preferential tariff treatment by the United States on importations of Dominican products; the adjustment of maritime and inland freight rates; the provision for bonded warehouse.

8[*9*]. In concluding, the Military Governor desires to here express his sincere appreciation of the high service rendered to the government and to the Dominican people by the earnest and patriotic efforts of the members of the Commission to revise the customs tariff, which while supplying the necessary funds for the carrying out of the government's activities, will enable a reduction to be made in the cost of articles of necessity to the poorer classes of our people.

THOMAS SNOWDEN

639.003/61

The Secretary of State to the Secretary of the Navy (Daniels)

WASHINGTON, *September 30, 1919.*

SIR: I have the honor to acknowledge the receipt of your letter of September 23, 1919 (16870–401 Op–56), with which you enclose a letter addressed to you by the Military Governor of Santo Domingo relative to the tariff duties proposed to be placed in force in the Dominican Republic.[52]

In accordance with the requirements of Article III of the treaty of 1907 between the United States and the Dominican Republic relative to the necessity of an agreement between the two Governments to modify the import duties of the Dominican Government, the Military Governor submits a demonstration to establish, in accordance with the treaty provisions mentioned, that under the duties as proposed to be modified "on the basis of exportation and importation to the like amount and the like character during the two years preceding that in which it is desired to make such modification, the total net customs receipts would at such altered rates of duties have been for each of such two years in excess of $2,000,000 United States gold."

[52] Letter and enclosure not printed.

It appears from the demonstration submitted by the Military Governor that the import duties collected in the Dominican Republic during 1917 were $4,923,840.83, and during 1918 were $3,967,-885.74; that the proposed revision of the customs duties represents an average reduction of 37.98% in all import duties now applicable, taking into account as reductions the proposed additions to the free list, and that, on the basis of exportations and importations to the like amount and the like character during the year 1918, the total net customs receipts would, at the altered rate of duties, have been for such year approximately $2,460,000. Inasmuch as the import duties collected during the year 1917 were considerably in excess of those collected during 1918, it appears that the total net customs receipts in the year 1917 would, if the altered rates of duties had been then in force, have been largely over $2,000,000. It is understood from the demonstration that all of the figures before mentioned are in terms of United States gold.

In view of the foregoing, I have the honor to inform you that the Dominican Executive has demonstrated, and the President of the United States recognizes, that, on the basis of exportations and importations to the like amount and like character during the two years preceding January 1, 1919, the total net customs receipts would, at rates of duties as altered by the proposed new tariff, have been, for each of such two years, in excess of the sum of $2,000,000 gold.

Therefore, I beg to request you to advise the Military Governor of Santo Domingo that the Government of the United States agrees to the proposed modification of the import duties of the Dominican Republic.

I have [etc.] ROBERT LANSING

639.003/62

The Minister in the Dominican Republic (Russell) to the Secretary of State

No. 515 SANTO DOMINGO, *October 25, 1919.*
[*Received November 13.*]

SIR: I have the honor to forward herewith three copies of the new Dominican Tariff to be effective on January 1, 1920.[53]

There is also enclosed a copy of the Final Report and Recommendations of the Dominican Tariff Commission,[53] which explains the changes in the new tariff rates.

I have [etc.] WILLIAM W. RUSSELL

[53] Not printed.

ECUADOR

AFFAIRS OF THE GUAYAQUIL & QUITO RAILWAY CO.[1]

Representations of the United States Regarding Payment of Interest on Bonds; Assurances and Efforts of the Ecuadoran Government—Acceptance by the Railway Company of a Reduction of Rates—"Modus Vivendi" between the Government and the Railway, Reached April 6—Ecuadoran Proposal for Arbitration of Differences; Disapproval by the American Minister—Representations of the United States against Foreclosure Proceedings by British Bondholders

422.11G93/999

The Ecuadoran Minister (Elizalde) to the Acting Secretary of State

[Translation]

No. 1 WASHINGTON, *January 9, 1919.*

SIR: I have the honor to acknowledge the receipt of your kind note of December 26 last,[2] which refers to my note of the 12th of the same month, and says that the Department of State has information to the effect that of the fourteen thousand (14,000) tons of cocoa mentioned in that correspondence, 10,875 have been sold, or contracted for shipment, in accordance with the particulars which you are pleased to give me.

These particulars are the same as those given me by Mr. E. Hope Norton, President of the Guayaquil and Quito Railway Company, and, according to his statement had to do with information procured by the agent maintained at New York by the Association of Agriculturists of Ecuador.

I have received no information on the subject from my government but have been officially advised that an order has been issued to place at the disposal of the bond-holders the sum of thirty-five thousand pounds sterling.

Although only a small part of the fourteen thousand tons contemplated in the existing contract will be imported into the United States, and that only after the restriction on cocoa imports shall have been removed and free importation into this country is allowed, in consequence of which it will no longer be a special concession to my government, it has adhered and does adhere to its promise to pay the sum of $859,740 out of the proceeds of the sale of those fourteen thousand tons.

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[1] Continued from *Foreign Relations*, 1918, pp. 401–427.
[2] *Ibid.*, p. 427.

By way of information only, I take pleasure in informing you also that I am officially advised that the deposits daily made to meet the payment of the bond-holders of the Guayaquil and Quito Railway Company, now amount to three thousand sucres, which is a result of the improved economic conditions in the country, due to the suspension of commercial impediments.

I avail myself [etc.] R. H. ELIZALDE

422.11G93/998

The Acting Secretary of State to the Ecuadoran Minister (Elizalde)

No. 44 WASHINGTON, *January 10, 1919.*

SIR: I have the honor to refer to the Department's note of December 26, in which it was stated that of the 14,000 tons of cacao stored in Ecuador, 10,875 tons had already been sold or shipment arranged for and that the Department therefore hoped to be informed by you in the near future of the payment on the coupons of the Guayaquil and Quito Railway Bonds of the larger part of the sum of $859,740, which the Government of Ecuador promised to pay out of the proceeds of the sale of the 14,000 tons of cacao.

I now take pleasure in stating that the Department has received information to the effect that the remainder of the 14,000 tons of cacao has been sold. Will you be so good, therefore, as to inquire of your Government whether it has already made the entire payment of the sum of $859,740 on the bonds.

Accept [etc.] FRANK L. POLK

422.11G93/1006

The Chargé in Ecuador (Belt) to the Acting Secretary of State

No. 344 QUITO, *January 11, 1919.*
[*Received February 1.*]

SIR: I have the honor to inform the Department that during the last ten days there has [*have*] been numerous conferences between the General Manager of the Guayaquil and Quito Railroad, Mr. J. C. Dobbie, and the Government officials here with regard to the general railroad situation.

The principal points involved consist of an order on the part of the Government for a cancellation of the 10 and 5% increases in the present passenger and freight tariffs previously agreed upon between the railroad and the Government as effective October 1, 1917, although in fact this increase became effective on October 20th. of that year.

From the information I have been able to secure during the short time I have been in charge, it would appear that at the end of July

1917, the Railway Company was faced with a deficit in its operations of 96,450.00 sucres, and to continue operations under these conditions meant practically complete bankruptcy to the railroad. The Company in August of that year submitted to the Government a proposal covering a general increase in its passenger and freight tariffs of 20 and 10 per cent, respectively, and after considerable discussion it was finally agreed upon to allow a general increase in the tariffs of 10 and 5 per cent. While this increase was supposed to become effective the 1st. of October 1917, it was 20 days later it went into effect. This delay was occasioned by the fact that the railroad had a coal ship discharging in Guayaquil during the month of September and as a result of the large delivery of coal which was necessary to be made each day, i.e., 60 tons, the railroad Company was unable to handle promptly the northbound freight from Guayaquil. The Company decided in order to give the Government and the shippers no cause for complaint to allow 20 days grace in which to clean up all freight which had accumulated due to the railroad's inability to despatch same as a result of having to discharge several thousand tons of coal from the vessel in Guayaquil.

In this connection I am advised that the coal above mentioned cost 66.00 sucres per ton while pre-war prices averaged about 20.00 sucres per ton. The total monthly coal bill of the railroad amounted to approximately 120,000.00 sucres provided coal was used entirely. I understand the pre-war and the year 1915 monthly fuel expense amounted to 40,000.00 sucres.

The extra revenue derived from the allowed increase of 10 and 5 per cent on passenger and freight tariffs only amounts to some 15,000.00 sucres per month, and the Company states that even with this increase it would have been impossible for the railroad to continue operations when the fuel bill alone had increased about 80,000.00 sucres per month. In order to meet this serious situation the railroad Company had to find a substitute for coal and an effort was made to obtain a supply of local fuel oil with the view to converting the locomotives from coal to oil burners. It was impossible, however, to obtain a sufficient supply of oil so firewood was resorted to. The Company was able to secure a sufficient supply of firewood locally and for this reason it was able to reduce operating expenses which not only enabled the Company to operate without a loss but at a gain of a few thousand sucres of net earnings monthly.

In the month of July, 1918, the Minister of the Interior insisted on the cancellation of the tariffs previously agreed upon, not because operating conditions had greatly improved, but for the reason that Congress was to convene on August 10th, and no doubt the Administration was anxious to avoid political criticism in view of the previous permission for an increase in the tariffs.

The General Manager of the Railroad in the early days of August submitted to the Government a complete statement of the financial affairs of the railroad as to that date, and also a statement of the difficulties with which the railroad was confronted as to securing railway equipment, coal, etc., due to the war and the difficulty to obtain export licenses for all supplies necessary to maintain the road in a state of efficiency. The Government accepted these explanations and allowed the tariffs to remain in effect and Congress failed to make mention of the 10 and 5 per cent increases in the tariffs.

In the latter part of December, 1918, the Government again renewed its request to have the tariff increases cancelled and at the same time complained of the failure of the railroad to improve its rolling stock; of delays to trains owing to the use of firewood instead of coal, and then desired of the railroad that it contribute its net earnings to the payment of one of the coupons on the bonded indebtedness.

The General Manager of the railroad has been in consultation with the Minister of the Interior and with other Government officials for the past ten days and the latest development in the entire matter appears to be the Government has agreed to appoint an impartial committee to make a thorough investigation of the railroad, its finances, present state of equipment, etc., and that this commission will render its decision which will be final and binding on both the Government and the railroad.

With regard to this commission I have reason to believe men satisfactory to the railroad will be appointed, men who are not connected with the Government, but I understand men of good standing in Ecuador.

. . . . . .

I have endeavored to keep in close touch with this situation and the entire matter has been one as between the railroad and the Government with no intervention of the Legation, thus avoiding the raising of diplomatic questions which appear unnecessary at this time.

Newspaper clippings relating this subject are herewith enclosed,[3] and a translation of same will be forwarded later.

The Department will be kept informed of the future developments along this line, and in this connection I beg to refer to my cable of January 11,—12 Noon.[3]

I have [etc.] JOHN W. BELT

[3] Not printed.

422.11G93/1001 : Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *January 15, 1919, 2 p.m.*
[*Received January 16, 11.20 a.m.*]

Department's December 6th, 7 p.m.[4] and despatch number 206, same date,[5] and Legation's December 10th, 5 p.m.[4] Minister for Foreign Affairs informs me he has recently asked for accurate information as to the exact amount of cacao sold and exported. He states that there has been remitted to London in two installments 25,000 pounds sterling, in payment on the bonded indebtedness of the railroad and that this amount is the result of daily deposits made by the Government from customs revenues beginning August 8th, up to probably December 31st, 1918. He further remarked that while the period mentioned for [*for the period mentioned?*] these payments had averaged about 1,000 sucres daily, that this had increased recently to about 3,000 sucres daily due to the increase of customs duties.

The Minister promises me a memorandum setting forth a plan he thinks feasible for the issuance of new bonds to cover the total amount to date, for the interest on the railway bonds, stating that this arrangement would permit the Government to maintain regular payments of the debt and further [free?] the railway company from the menace of the bondholders allowing them to receive interest for the total amount of interest due.

The Foreign Minister informed me that in all probability the Ecuadorean Minister to Washington had informally submitted to the consideration of the Department the appointment of a joint commission composed of six members, three on each side, to study and render final decision of the pending difficulties, the commission to consist of engineers, lawyers and accountants. This plan he considers would permit a definite understanding as to what is construction and operation expenses of the railroad. He made the remark that the interest due on the bonded indebtedness is due since 1914 and that if the Government was to depend only on the daily deposits made from the revenues, that it would not be able to clear up to date the arrear payments on the bonded indebtedness, but that there would always be an overhanging debt.

BELT

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[4] Not printed.
[5] *Foreign Relations*, 1918, p. 425.

422.11G93/1002 : Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *January 22, 1919, 11 a.m.*
[*Received January 23, 2.05 p.m.*]

My January 11, noon.[6] Government was unable to secure members for the commission to pass on question of reduction of tariffs. Considerable newspaper comment resulted from this disputed question, mostly in support of the attitude of the Government, namely, for a reduction of the present tariff rates.

General manager of the railroad yesterday in friendly agreement with President and Minister of the Interior mutually agreed to resort to old tariff number 4 to become effective May 1st this year.

It would appear this agreement between the Government and railroad is satisfactory for the following reasons:

1. Publicity given subject with probable future political effect on railroad.
2. Railroad by compromise gained four months additional time as Government demanded immediate resumption of old tariff.
3. Company has received benefit already of 19 [*15?*] months increased tariff.
4. Government had a good case and so privately recognized by general manager of railroad.

The main essential feature accomplished by this agreement is the failure on the part of the Government to establish the dangerous precedent, as applicable to tariffs, by which the Government can arbitrarily terminate what the railroad company considers as a mutual contract entered into between the respective parties and only dissolved by mutual consent. The general manager of the railroad considers the present arrangement as satisfactory, while the Legation considers the awkward situation that had developed owing to the Government's demands on the railroad as relieved considerably.

BELT

422.11G93/1001 : Telegram

The Acting Secretary of State to the Chargé in Ecuador (Belt)

[Extract]

WASHINGTON, *January 27, 1919, 6 p.m.*

Your January 15, 2 p.m.

Department cannot understand statement of Minister of Foreign Affairs to you that 25,000 pounds sterling remitted to London is result of daily deposits. Please immediately ask Minister for defi-

[6] Not printed; see despatch of the same date.

nite statement regarding amount which has already been deposited or remitted to London out of the sum of $859,740 which the Government of Ecuador promised to pay to meet the bond interest out of the proceeds of the sale of 14,000 tons of cacao, which undertaking on the part of the Government of Ecuador was reaffirmed by the Ecuadorian Minister in Washington in his note dated January 9.[7]

You will forward to Department by cable substance of memorandum *re* issuance of bonds promised you by Minister of Foreign Affairs.

The Department considers that it is not necessary for the Legation to make any statements to the Government of Ecuador in regard to the appointment of a joint commission. Nevertheless, you will continue to report to the Department whatever information you may obtain in this connection.

Confidential. If the railroad company can settle all its differences with the Government of Ecuador without the necessity of calling upon the aid of the United States Government, it would be more satisfactory to the Department.

. . . . . .

POLK

422.11G93/1007 : Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *February 3, 1919, 6 p.m.*
[*Received February 4, 3.27 p.m.*]

Department's January 27, 6 p.m., my January 30, 9 a.m.[8] Foreign Minister to-day informs me Minister of Finance notifies him that to date there has been remitted to London in various installments 80,000 pounds sterling in payment of the bonded indebtedness of the railroad.

He promises me memorandum *re* issuance bonds tomorrow, substance of which I will cable the Department.

BELT

422.11G93/1009 : Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *February 5, 1919, 8 a.m.*
[*Received February 6, 9.50 p.m.*][9]

Department's January 27, 6 p.m., my February 3, 6 p.m. Memorandum of Minister for Foreign Affairs is somewhat superficial and

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[7] *Ante*, p. 171.
[8] Latter not printed.
[9] Text printed from corrected copy received Feb. 14, 6.30 p.m.

suggests as the easiest solution of the bonded indebtedness of the railroad the capitalization of the coupons due by the issuance of new bonds for the total amount of said coupons. The fund put aside for the interest service should be increased accordingly in order to meet the interest payments when due. The Minister regards a capitalization of the coupons due would permit a regular payment of the interest and also allow an immediate payment to the bond holders.

Such an arrangement would only go to increase the debt; besides there is no mention of security for the new issue. It is a paper transaction only and would somewhat relieve Ecuador of her present embarrassment resulting from failure to meet her obligations. Memorandum states its contents are views of the Minister and it is submitted as a matter of information.

BELT

422.11G93/1008

The Ecuadoran Minister (Elizalde) to the Acting Secretary of State

[Translation]

No. 3 WASHINGTON, *February 5, 1919.*

SIR: In reply to your kind note No. 44 of January 10 last,[10] I have the honor to confirm my note No. 1 of the 9th of that month [11] and to inform you that I received today from my Government a telegram that a final remittance of 35000 pounds has paid in full the interests [*coupon of interest*] of the Guayaquil and Quito Railway Company for the year 1918.

My Government has thus redeemed the promise made to the Department of State to effect the payment on condition that it would receive permission to import 14000 tons of cocoa into the United States.

I avail myself [etc.] R. H. ELIZALDE

422.11G93/1007: Telegram

The Acting Secretary of State to the Chargé in Ecuador (Belt)

WASHINGTON, *February 6, 1919, noon.*

Department desires to be informed what part, if any, has been paid by the Ecuadoran Government of the $859,740.00 mentioned in Department's December 6, 7 p.m.[12] and in Despatch No. 206 of December 6.[13]

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[10] *Ante*, p. 172.
[11] *Ante*, p. 171.
[12] Not printed.
[13] *Foreign Relations*, 1918, p. 425.

Is the 80,000 pounds mentioned in your February 3, 6 p.m. entirely part payment of the above mentioned sum or does it include daily payments as well.

POLK

422.11G93/1013: Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *March 11, 1919, 3 p.m.*
[*Received March 13, 1.50 p.m.*]

Department's February 6, noon and March 3, 5 p.m.[14] After repeated efforts to obtain desired information from Minister of Foreign Affairs realize Government is avoiding answering with regard to payment of bonded indebtedness. Foreign Office claims Government has paid a coupon with amount already remitted to London and does not understand why source of money paid is requested by Department.

Foreign Office insinuated Ecuadorean Minister was not fully authorized to make the offer of payment from sale of cacao which was the property of private parties.

Under the circumstances deem it advisable Department confer with Ecuadorean Minister with the view of ascertaining definitely data desired.

BELT

422.11G93/1013: Telegram

The Acting Secretary of State to the Chargé in Ecuador (Belt)

WASHINGTON, *March 27, 1919, 1 p.m.*

Your March 11, 3 p.m., confidential.

Elizalde admits that he promised in the name of his Government to pay $859,740 but states that his Government misunderstood him as he used the word coupon in the singular form believing that only one coupon was paid annually whereas in fact two are paid. He has promised to telegraph his Government urging the payment of the full amount as promised Department and states that he hopes that he will be able to arrange the matter if there is sufficient money in the Ecuadorian Treasury. Endeavor to ascertain and cable Department whether Ecuador is in a position to make the remaining payment on the $859,740.

Talk this matter over informally with Norton and cable his opinion as to whether the full payment should be pressed for, but do not take matter up with Ecuadorean Govt. without Department's instructions.

PHILLIPS

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[14] Latter not printed.

422.11G93/1018: Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *March 29, 1919, 2 p.m.*
[*Received March 30, 1.50 p.m.*]

Department's March 27, 2 [*1*] p.m. Discussed question with regard to payment bonded indebtedness with Norton yesterday and he is of the opinion that Elizalde may possibly have misunderstood intention of Ecuadorean Government. Norton is of the opinion that it would be unadvisable to press for further payment at this time thus taking advantage of a technicality, provided Minister of Finance through Elizalde or this Legation confirms to the Department of State his recent statement to railway company that Ecuadorean Government will remit to London the additional sum of 80,000 pounds sterling during the month of June in order to meet payment on the coupon due next July.

Minister for Foreign Affairs on Friday informed me Elizalde misunderstood intention of this Government; that it had only obligated itself to pay one coupon which was more than covered by the [remittance] to London of the total amount of 80,000 pounds.

With regard to the source of this remittance Minister for Foreign Affairs stated this question had been explained satisfactorily to the Department by the Ecuadorean Minister.

BELT

422.11G93/979: Telegram

The Acting Secretary of State to the Chargé in Ecuador (Belt)

WASHINGTON, *April 2, 1919, 5 p.m.*

Your October 25, 7 p.m.[16]

Cable Department whether daily deposits are still being paid and if not what reason is alleged by Ecuadorian Government for discontinuance.

PHILLIPS

422.11G93/1022: Telegram

The Chargé in Ecuador (Belt) to the Acting Secretary of State

QUITO, *April 7, 1919, 4 p.m.*
[*Received April 9, 3.55 a.m.*]

Department's April 2, 5 p.m. Conferred with Norton to-day prior to his departure tomorrow for the United States. It is his understanding Government has discontinued payment daily deposits for

[16] *Foreign Relations*, 1918, p. 420.

the reason Government had previously arranged with certain banks for assistance to meet payments on last coupon which was covered by remittance to London of 80000 pounds. Daily deposits no doubt now needed to refund to banks loans thus secured and to insure further assistance from them to enable Government to remit to London in June another 80000 pounds to meet coupon due next July; see my March 29, 2 p.m.

Government commission, which has been in consultation with railroad officials, have come to amicable conclusion and have covered many questions in dispute between railroad and Government. Norton states the arrangement as reached is extremely satisfactory. The commission will make its report to the next Congress; it will embody in its report a statement as to the advisability of handling future controversies by the commission with discussion between the interested parties and citing present friendly agreement as reached as an example of results accomplished.

The commission considered many questions namely improvement rolling stock, better service, improvement road bed, fuel, cost of operation, inspection by Government of accounts as to expenditures by railroad, reduction in expenditures where possible, reestablishment three passenger trains weekly, etc.

Norton claims agreement reached as final and the most satisfactory experience the railroad has yet had with commissions; no evidence of friction or prolonged discussion arose.

The result as arrived at will serve as a precedent for future controversies as indicative of the advisability and practicability of settlement in similar manner. This will avoid future legal proceedings against railroad in local courts with possible prejudice to railroad's interests. I will forward by mail detailed report of commission's findings.

BELT

422.11G93/1027

The Chargé in Ecuador (Belt) to the Acting Secretary of State

[Extract]

No. 370 QUITO, *April 12, 1919.*
[*Received May 9.*]

SIR: I have the honor to refer to my cablegram under date of April 7, 4 p.m., resulting from my conference with Mr. E. Hope Norton, President of the Guayaquil & Quito Rail-Road, prior to his departure for the United States, at which time he went thoroughly into the results of the work of the Commission which was created by executive order of March 12 to consider the Railroad question.

In this connection there is attached hereto a memorandum of [*on?*] the Advisory Commission which appeared in *El Comercio* of Quito under date of April 10. This memorandum gives in detail the questions discussed and the results reached.

. . . . . .

The local press comment favorably upon the attitude of Mr. Norton and express satisfaction as to the conclusions reached between him and the Commission, which is a favorable indication that the Government and people in general feel that this matter is progressing towards a satisfactory settlement.

I have [etc.] JOHN W. BELT

[Enclosure—Translation]

Memorandum on the Advisory Commission, Guayaquil & Quito Railway Co., Published in "El Comercio", April 10, 1919

The Ministry of the Interior has given us the following data relating to the steps taken by the Advisory Commission and Mr. E. H. Norton, President of the Company.

The Commission was created by Executive Order of the 12th of March. The President of the Republic in forming the Commission took into consideration the fact that the questions pending between the Government and the Railroad Company are among the most important which concern the public and that therefore it was essential to name a commission, the personnel of which because of their ability, integrity and competence could accomplish a satisfactory result in the interest of justice and the national welfare.

The Commission was constituted thus: President, The Minister of Public Works, Dr. Jose Maria Ayora; Members, Messrs. Dr. Jose Julian Andrade, Dr. Victor Manuel Penaherrera, don Juan F. Game and Dr. Manuel Benigno Cueva Garcia. At the meetings which the Commission has held thus far, Dr. Serafin S. Wither, S., General Auditor of the Railroad, has also been present.

The first session of the Commission was held on March 17, and the following sessions on March 26 and 28, and on April 2, 5 and 6. As the Minister of Public Works had advised the President of the Railroad Company of the formation and object of the Commission and Mr. Norton had replied that the Company was ready to contribute with the utmost good will toward an amicable and equitable adjustment of the differences existing between the Railroad and the Government, in accordance with which Mr. Norton would be

at the service of the Commission during the three weeks he was to remain in the country, the Commission invited Mr. Norton to the session held March 28, with a view to ascertaining the form in which the Company would be disposed to proceed with these arrangements.

In effect, Mr. Norton attended the session of March 28 and also the sessions of April 2, 5, and 6 respectively, in which an agreement was reached as to a *modus vivendi* which is expected to result in a definite solution when the Government obtains the approval of Congress.

According to this *modus vivendi* there have been reached the following agreements:

The Company recognizes the urgent necessity of improving the roadbed and rolling stock of the railroad. In consequence, it will as soon as possible order three locomotives, 25 freight cars and 300 tons of rails in order to render better service to the public. As soon as the locomotives arrive, and sooner if possible, the mid-weekly passenger train will be re-established between Duran and Quito.

The Company will proceed immediately to improve the railroad line in order to procure the best service.

The Company will return to the use of coal as fuel for its locomotives as soon as it can do this economically. In the meantime, whether using wood and coal or oil the Company will use every effort to the end that trains shall run according to schedule and to avoid all delays.

The general accounting offices of the Railroad will be located in Ecuador and all the books and documents will be available at any time for examination by the Fiscal Auditor of Ecuador.

The Company accepts the right which the Government has to inspect and revise all the operations of the Company as regards their administrative and economic aspects.

The Company has presented for the consideration of the Commission and approval of the Government the proposed estimate which it will place in effect during this year from April 1. Hereafter the Company will send to the Minister of Public Works up to the 10th of December of each year the estimate to be followed the succeeding year. In case no agreement should be reached with regard to these estimates, the last one approved by the Government will continue in effect. The estimate for this year was approved the 7th of this month in accordance with the project presented by Mr. Norton and observations of the commission thereon. In this estimate there has been effected an annual saving of S/. 43,914.24, with respect to the estimate that has been in effect up to March last. The Commission pointed out that in conformity with the contract there would be greater reductions in the estimate, reserving the right of the Government when this question is definitely settled. In general, both parties reserve for the same time their respective rights.

From the first of January of the present year the Company will remit to London, to apply on the bonds, the net earnings of the Railroad in conformity with the stipulations of the contracts.[17]

Furthermore, we have been advised that to the observations made by the Commission that the Company should have legal representatives to attend to the claims presented by individuals, Mr. Norton stated that the Company actually has two representatives in Quito and Huigra who attend to all claims, which claims he asserted are paid almost in their entirety.

The Commission has not occupied itself for the present in the reduction of freight and passenger rates because a reduction takes effect the first of next month in accordance with agreement reached between the Ministry and the Company.

Very soon there will be presented for the consideration of the Commission new train regulations in which will be taken into consideration the provisions of the regulations issued by the Government in 1909. For the discussion of these regulations the Manager of the Company has received sufficient authority from Mr. Norton, who has begun his return voyage to New York.

Mr. Norton in the session in which was approved the *modus vivendi* expressed through Manager Dobbie the satisfaction he felt at having found such a spirit of justice and equity on the part of the Commission, which has resulted in an easy adjustment of matters submitted for discussion, adding that the Company sincerely desired a satisfactory solution of all questions pending between the Government and the Railroad, in accordance with which Mr. Norton hoped to have the pleasure of again meeting the Commission after his return from New York in order to reach a definite arrangement, and that the Company had the utmost confidence that an agreement would be reached with this spirit of justice and equity which he was pleased to recognize on the part of the Commission.

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[17]According to the minutes of the conferences, transmitted in despatch No. 387, June 7 (File No. 422.11G93/1038), the understanding on this point was supplemented by the following conditions:

> "The Government in turn will pay to the Railway Company on the same date [July 2, 1919] the equivalent of the amount remitted to London by the Railway Company for account of the bond interest every six months, without relieving the Government in any way of its obligation to pay the balance necessary to complete the bond interest and sinking fund payment in full in accordance with the respective contract [*contracts?*]. The agreement as regards the refund to the Company by the Government of such funds remitted to London will continue in effect until the Company has been paid the sum of $210,500 dollars, with which to make the purchase of the necessary material referred to above [see first paragraph of summary of *modus vivendi*], thereafter, the Government shall have no obligation whatsoever in connection with the payment of the S/. 807,774.36 referred to above [the old debt still unpaid by the Government since 1910 up to 1912 for approved bills which amounted to S/. 632,192.68 and for bills submitted to the Government but not approved for payment the sum of S/. 175,581.68 or a total of S/. 807,774.36]."

On his part, the Minister of Public Works has left record of the good will with which the Company has contributed towards the discussion and approval of the *modus vivendi* and he has expressed the hope that this same good will will prevail in the discussions to be had on the return of Mr. Norton, taking into consideration that the Government in no case will demand anything not based on justice, on the rights to which it is entitled under the contracts, and on the well understood interests of the people.

Furthermore, the Minister is pleased to render a tribute of gratitude to the constancy, labor and patriotic disinterestedness of each member of the Commission in the important questions thus far settled, and asking in the interest of the public that they continue in their labors initiated to reach an arrangement with regard to all the points involved between the Government and the Guayaquil & Quito Railroad Company.

422.11G93/1026: Telegram

The Minister in Ecuador (Hartman) to the Acting Secretary of State

QUITO, *May 7, 1919, 3 p.m.*
[*Received May 8, 8.05 p.m.*]

Representative of Foreign Bondholders in Guayaquil has requested me to bring pressure to bear on Ecuadorean Government to resume payments daily deposits which ceased in February. Have advised him Legation will act only on instructions from the Department. Report by mail.

HARTMAN

422.11G93/1028: Telegram

The Minister in Ecuador (Hartman) to the Acting Secretary of State

QUITO, *May 9, 1919, noon.*
[*Received May 10, 3.20 p.m.*]

Minister of Finance informed me today that Ecuadorean Government remitted draft yesterday to London 10,500 pounds sterling account service Guayaquil and Quito Railway bonds.

HARTMAN

422.11G93/1008

The Acting Secretary of State to the Ecuadoran Minister (Elizalde)

No. 45 WASHINGTON, *May 28, 1919.*

SIR: I have the honor to acknowledge the receipt of your note No. 3 of February 5 last,[18] stating that you have received a telegram

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[18] *Ante*, p. 178.

from your Government that a final remittance of 35,000 pounds has been made as payment in full of the interest of the Guayaquil and Quito Railway Company for the year 1919 [*1918?*].

As you have been orally informed, however, by Mr. Johnson, the Acting Chief of the [Division of] Latin American Affairs of this Department, it would appear that the Ecuadoran Government has only paid 80,000 pounds as interest on the Guayaquil and Quito Railway bonds for the year 1918 and that the total interest on the bonds amounts to $859,740. You have informed Mr. Johnson that your Government may have misunderstood the agreement which you made to pay the sum of $859,740.

The Department does not understand how there could have been a mistake in this matter as a short recapitulation of the notes exchanged between your Legation, the American Legation in Quito and this Department would appear to leave no room for misunderstanding. In your memorandum to the Department, August 21, 1918,[19] you informed the Department that the Government of Ecuador proposed that it be permitted to export to the United States all the Cacao which was actually stored in Ecuador, about 14,000 tons and that the price of the same, amounting to $859,740, would be used for the entire payment of the interest on the railroad bonds. Permission to export this Cacao was granted by the proper authorities of this Government and in a note to you dated January 10,[20] the Department informed you that the entire 14,000 tons had been sold and asked if you would be so good as to inquire of your Government whether it had already made the entire payment of the sum of $859,740 on the bonds. In the meantime, on December 6 [21] the Department had written an instruction to the American Minister in Quito directing him to give to the Minister for Foreign Affairs of Ecuador, a copy of your note to the Department of August 21, and of the Department's note to you of November 29,[22] and instructing the Minister to inquire of the Foreign Office whether the payment of $859,740 had been made. In your note to the Department of December 12, 1918,[23] you said in part:

[Here follow the first three paragraphs of the note mentioned, to the word " agreed ".]

Moreover, in your note to the Department of January 9 [24] you said in part referring to your Government "It has maintained and maintains its promise to pay the sum of $859,740 from the proceeds of the sale of those 14,000 tons."

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[19] *Foreign Relations*, 1918, p. 419.
[20] *Ante*, p. 172.
[21] *Foreign Relations*, 1918, p. 425.
[22] *Ibid.*, p. 424.
[23] *Ibid.*, p. 426.
[24] *Ante*, p. 171.

The Department of State believes, therefore, that the Government of Ecuador clearly bound itself to pay the sum of $859,740 as interest on the bonds of the Guayaquil and Quito Railway Company, provided the permission to export 14,000 tons of Cacao was given. This permission was given and the Cacao was exported and sold. The Department is not inclined, however, at this time, to urge the Ecuadoran Government to complete the full payment in accordance with its promise, provided that the Ecuadoran Government will confirm to the Department of State, the statement which the Department understands the Ecuadoran Minister of Finances recently made to the authorities of the Guayaquil and Quito Railway Company, to the effect that the Ecuadoran Government will remit to London the additional sum of 80,000 pounds sterling during the month of June in order to meet payment on the coupon due next July and provided that this payment is actually made during the month of June.

The Department has come to this decision as a result of its desire not to press even so clear an obligation as that outlined above, where there is the remotest chance of there having been a misunderstanding which would cause embarrassment. The Department feels sure that you will be willing to cooperate with it in doing everything possible to secure the payment of the July coupon for the sake of the bettering of Ecuadoran credit and the improvement of our present very friendly relations.

Accept [etc.] FRANK L. POLK

422.11G93/1026 : Telegram

The Acting Secretary of State to the Minister in Ecuador (Hartman)

WASHINGTON, *May 28, 1919, 7 p.m.*

Your March 11, 3 p.m.[25]

Department cannot understand insinuation of Foreign Office that Ecuadoran Minister was not fully authorized to make the offer of payment from the sale of Cacao. The Department's instruction No. 206 of December 6, 1918,[26] quoted in part the Ecuadoran Minister's note to the Department of August 21, 1918,[27] and a copy of this note and the Department's answer thereto[28] were enclosed and you were instructed to give the Minister for Foreign Affairs copies of both notes. The negotiations referred to in these notes had been begun by the Ecuadoran Minister in a memo-

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[25] *Ante*, p. 179.
[26] *Foreign Relations*, 1918, p. 425.
[27] *Ibid.*, p. 419.
[28] *Ibid.*, p. 424.

randum to the Department dated August 21, 1918, in which he stated that the Government of Ecuador proposed that it be permitted to export to the United States all Cacao actually stored in Ecuador, about 14,000 tons and that the price of sale, $859,740, be in service of the interest on the bonds of the Guayaquil and Quito Railway Company. Permission to import this Cacao was granted by the appropriate American authorities and in a note to the Ecuadoran Minister dated January 10 last,[29] the Department informed him of the sale of the entire 14,000 tons. Moreover, in a note to the Department dated December 12,[30] the Minister stated that he had received a telegram from his Government which maintained its promise to pay the above mentioned amount ($859,740) and in a note dated January 9,[31] the Minister said that his Government has maintained and maintains its promise to pay the sum of $859,740 from the proceeds of the sale of the 14,000 tons.

In your February 3, 6 p.m.,[32] you stated that 80,000 pounds had been remitted to London in payment of the bonded indebtedness of the railway [and?] in your May 9, noon, you stated that 10,500 pounds had been paid. Inform Department whether this payment was made toward the completion of the amount of $859,740 or whether this was an advanced payment on the July coupon.

In any event, it appears that the government of Ecuador has not paid the full $859,740 which it is clearly bound to pay.

Your March 29, 2 p.m.[33] You are requested to inform the Ecuadoran Government of the substance of the foregoing, stating at the same time that this Government is not inclined at this time, to press its clear claim provided the Ecuadoran Government will confirm to you its recent statement to the Railway Company that it will remit to London the additional sum of 80,000 pounds sterling during the month of June, in order to meet payment on coupon due next July, and provided this amount is paid in June. You will phrase your note to the Foreign Office with particular courtesy in order that the good relations apparently now existing between the Government and the Railway Company may not be interrupted and you will ask for an assurance of a June payment and cable the Department the Government's reply.

Your May 7, 3 p.m. Department does not deem it advisable to bring pressure to bear on Ecuadoran Government to resume payment of daily deposits at this time.

POLK

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[29] *Ante*, p. 172.
[30] *Foreign Relations*, 1918, p. 426.
[31] *Ante*, p. 171.
[32] *Ante*, p. 177.
[33] *Ante*, p. 180.

422.11G93/1031

The Ecuadoran Minister (Elizalde) to the Acting Secretary of State

[Translation—Extract]

No. 5 WASHINGTON, *May 31, 1919.*

MR. SECRETARY OF STATE: I have the honor to acknowledge the receipt of Your Excellency's courteous note No. 45, dated the 28th instant.

[Here follows the substance of the note mentioned.]

In reply I have the honor to express to Your Excellency, first of all, my sincere appreciation of the form and substance of your important communication.

In this case, Mr. Secretary, and in spite of the good faith and excellent willingness of the two governments and their representatives, there has been a misunderstanding, as my Government instructed me to offer to the Department of State the payment of one coupon of interest of the Guayaquil and Quito Railway Company in return for the license to import into the United States fourteen thousand tons of cocoa, and I through an error in reading the cipher cablegrams gave to that coupon exactly the value of two, that is to say, of one annuity including interest and amortization amounting to the sum of $859,740.

Your Excellency will do me the honor to grant that although I have always named the amount of $859,740 in my communications, I have also used the phrase "one coupon", although that amount corresponds to the value of two coupons.

When I sent to Your Excellency my note of February 3 [5] last [34] I was under the impression that the final payment of £35,000 there alluded to completed the amount of $859,740 offered by me.

I realized my mistake only when informed by Mr. Johnson that £80,000, which represented the interest of one coupon only, had been paid. That information was later confirmed to me by my Government.

Notwithstanding the error made my Government, wishing to make my word good, is now exerting every effort to remit another sum of £80,000 before the second of July next, when the other coupon is due. In this respect I take especial pleasure in informing Your Excellency that under date of the 21st of this month I received a cablegram from my Government in which I am told that $49,870, the equivalent of £10,000 sterling, more or less, had been remitted to London. Furthermore, under date of May 23, the President of the Republic cabled me word for word as follows: "We shall con-

[34] *Ante*, p. 178.

tinue to remit as much as possible. Situation practically unchanged." The last three words refer to the slight imports for the previous months whose proceeds to the revenue in customs duties have been less than those of last year.

Lastly, under date of yesterday I received a telegram from the Minister of Foreign Relations of Ecuador, in which he says almost textually the following: "Minister Finance says that he has not made what could be strictly called a final promise. We are exceedingly willing to pay the coupon of July 2 next and will do all that can be done to do so in one or more further remittances. The revenues are low and great difficulty is experienced in meeting the expenses of government." Payment under these circumstances and in less than six months of two coupons of interest, or a whole annuity, is then a true sacrifice for my Government. Therefore, and further taking into account the facts in the case, no less than the conciliatory spirit which doubtless animates Your Excellency's Government, my Government hopes that it will be enough in this case as deserving Your Excellency's consideration to offer the assurances hereby stated to the effect that the Government will do all that lies in its power to redeem in the specific case under consideration, as well as in all other cases, the word given by its official representative near Your Excellency's Government.

In so far as I am personally concerned the Department of State may be assured of my most sincere and active coöperation in the sense of having the payment of the coupon maturing in July next effected since it will draw closer the very friendly relations which exist between our Governments and go far towards improving the credit of Ecuador.

I avail myself [etc.] R. H. ELIZALDE

422.11G93/1037

The Minister in Ecuador (Hartman) to the Acting Secretary of State

[Extract]

No. 386 QUITO, *June 6, 1919.*
[*Received July 2.*]

SIR: Referring to Department's telegram of May 28, 7 p.m.,[35] in relation to unpaid portion of $859,740 interest arrears on bonds of the Guayaquil and Quito Railway Company, etc., I have the honor to inform the Department that, in full compliance with Department's instruction, I addressed a note, No. 308, to the Minister for Foreign Affairs under date of June 3, 1918 [*1919*], of which I herewith enclose a copy (Enclosure No. 1).[36]

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[35] *Ante*, p. 187.

[36] Not printed.

Upon receipt of the answer thereto, I will cable the substance of its contents, and send a copy, with translation, by mail.

I delivered my note in person to the Minister, first, because of its importance, and, second, because I thought it advisable to hand him a Spanish translation of it at the same time. . . .

When I handed the note to the Minister, I stated to him that I was aware of the great amount of work in the Foreign Office, and that, as an act of courtesy to him, and to facilitate his labors in examining and answering my note, I had had prepared a translation which I hoped would be of use to him. He accepted it, and thanked me for it.

I also enclose, for the information of the Department, a clipping (Enclosure No. 2),[37] from *El Comercio*, in its issue of June 5, 1919, containing an editorial dealing with the financial situation in Ecuador. The fact that this article appeared so soon after the delivery of my note to the Foreign Office has caused me to wonder whether it was inspired by the Foreign Office, and, if so, whether it is indicative of an adverse answer to the proposals contained in my note.

I have [etc.] CHAS. S. HARTMAN

422.11G93/1039 : Telegram

The Minister in Ecuador (Hartman) to the Acting Secretary of State

QUITO, *July 3, 1919, 6 p.m.*
[*Received July 5, 10.15 a.m.*]

Department's June 17, 4 p.m. and my June 28 [*18*], 9 a.m.[38] Note of the Minister for Foreign Affairs dated June 30 in answer to my note, number 308 of June 3rd, was delivered to Legation last night.

The Minister says that the offer of his Government to pay the coupon due from the proceeds of the sale of cacao could not have referred to other than that part which would be due to the Government by reason of the duty on the 14,000 tons to be exported because the entire cargo was not the property of Ecuadorean Government, but of the commission merchant, Guayaquil, and that this duty actually amounted to 80,000 pounds more or less. He says that the error undoubtedly arose from the fact that in transmitting the Government's instructions to Washington it was understood that Ecuador offered to pay eight hundred and some odd thousand dollars, when in fact Ecuador offered to pay that amount of sucres.

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[37] Not printed.

[38] Neither printed.

Regarding ratification of promise to railway company to remit 80,000 pounds to London in June he says that:

"The Minister of Hacienda, to whom the promise mentioned refers, does not believe that he categorically promised to send 80,000 pounds to London before July 3 since, in view of the difficult situation of the public treasury, he would not be warranted in making so final and conclusive a promise. In connection with this matter the Minister of Hacienda stated to Mr. Dobbie, the manager of railway company, that he would do all in his power to remit the 80,000 pounds demanded. But whether or not these promises were made Your Excellency may rest assured that my Government would have remitted the value of the coupon if circumstances had not placed the public treasury in such a difficult situation. Due to causes which are foreign to Ecuador, such as the European war, the public revenues have suffered a shrinkage of 40 per cent and in this connection it may be stated that the state of truce existing since the signing of the armistice has not improved our situation and that on the other hand certain factors have tended to accentuate the shrinkage, already considerable, of public receipts. Notwithstanding this state of affairs my Government is doing, and will continue to do, its utmost to pay in the shortest possible time the 80,000 pounds and on account of which it has ordered the payment of 20,000 pounds. Not only because my Government desires to observe faithfully its agreements but also because it is vitally interested in increasing the financial credit of the country it has the most earnest wish to comply with its obligations but it is hoped that the powerful causes set forth will be taken into consideration and that Your Excellency, with the spirit of justice which distinguishes him, will condescend to esteem them in their full value."

He states that the 10,500 pounds sent in early part of May were to apply on coupon due in July.

I am of the opinion that the Government is earnestly endeavoring to complete payment of this coupon as soon as possible.

HARTMAN

422.11G93/1046

The Minister in Ecuador (Hartman) to the Acting Secretary of State

[Extract]

No. 400 QUITO, *July 9, 1919.*

[*Received August 5.*]

SIR: Referring to my telegram of July 3, 6 p.m., regarding the note of the Minister for Foreign Affairs of June 30, in answer to my note No. 308 of June 3 (File No. 350), I have the honor to enclose herewith triplicate copies of the Minister's note, together with translation.

. . . . . .

In two personal interviews with the Minister he has expressed the hope that, when the July crop of cacao comes in, the Government will be able to complete payment of the July coupon.

It will also be observed that the Minister's note does not contain the customary denial of the right of the Government of the United States to intervene in this matter.

As I recall it now, this is the first note from the Foreign Office bearing on the subject in nearly six years that has failed to raise that question.

Indeed the tenor of the note and the whole attitude of the Government towards the subject are exceedingly satisfactory, and in harmony with the improved relations which I have reported to the Department in previous communications.

I therefore respectfully recommend that, so long as the Government of Ecuador continues to endeavor in good faith to obtain the money to pay this coupon, no further pressure be brought to bear upon it.

I have [etc.] CHAS. S. HARTMAN

422.11G93/1040: Telegram

The Minister in Ecuador (Hartman) to the Acting Secretary of State

QUITO, *July 14, 1919, 4 p.m.*
[*Received July 16, 12.40 a.m.*]

My July 3rd, 6 p.m. Mr. Dobbie informs me that Treasurer of Province of Guayas informed railway company that the 20,000 pounds referred to in note of the Minister for Foreign Affairs has been remitted and that he has 10,000 pounds more which will be remitted as soon as custom house drafts are available.

HARTMAN

422.11G93/1042: Telegram

The Minister in Ecuador (Hartman) to the Acting Secretary of State

QUITO, *July 17, 1919, 9 a.m.*
[*Received July 18, 5.25 a.m.*]

Railway manager informs me that Ecuadorean Government has remitted the 10,000 pounds mentioned in my July 14, 4 p.m., and that President of Ecuador informed him yesterday that Ecuadorean Consul General in New York has been instructed to remit 5,000 pounds additional.

HARTMAN

422.11G93/1047 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 9, 1919, 5 p.m.*

5790. Department informed that Foreign Office contemplates approving proposed foreclosure proceedings by Council of Foreign Bondholders in behalf of British Bondholders of the Guayaquil and Quito Railroad. Officially bring to the attention of Foreign Office fact that Ecuador has been remitting large sums for bond service, that the Railroad is depositing net earnings, that the Government and the Railroad have adjusted their differences, that the physical condition of the property is being improved with increased earnings and economies in operation, that the approval of foreclosure would imperil a large investment of American capital and nullify negotiations with the Ecuadorean Government extending over several years and undertaken for protection of both British and American investors, and that approval by the British Government would be viewed with considerable concern by this Government. Wright [38] familiar with this case.

LANSING

422.11G93/1051 : Telegram

The Minister in Ecuador (Hartman) to the Secretary of State

QUITO, *August 26, 1919, 3 p.m.*
[*Received August 27, 3.40 p.m.*]

Advisory Commission recommends to Congress arbitration of differences between Ecuadorean Government and Guayaquil and Quito Railway Company.

Following is the substance of proposal:

"ARTICLE 1. Arbitrators will take oath of office before the President of Supreme Court of Ecuador, and from that moment they will be authorized to agree upon the organization and constitution of the tribunal and its procedure until final decision.

"ARTICLE 2. The arbitration will include all questions pending between the Government and railway company from June 14, 1897 to date of decision.

"ARTICLE 3. Their decision, or the decision of the third member who may be named in conformity with article 27 of contract of June 14, 1897, will be unappealable."

I earnestly recommend railway company to refuse to accept proposal for several reasons which will be sent by mail and because proposal ignores settlement by contract of 1908.

HARTMAN

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[38] J. Butler Wright, Counselor of the Embassy at London.

422.11G93/1054

The Minister in Ecuador (Hartman) to the Secretary of State

No. 423 QUITO, *August 27, 1919.*
[*Received September 20.*]

SIR: I have the honor to confirm my telegram of August 26, 3 p.m., wherein I set out the substance of a proposed decree submitted to Congress for its consideration by the advisory commission which was created by Executive Decree of March 12, 1919.

I now herewith enclose complete copy of the memorandum accompanying the proposed decree, and the full text of the decree, together with translations of both.[39]

In support of the recommendation made in my said telegram of August 26, 3 p.m., that the Railway Company should refuse to accept the proposed decree of arbitration, I respectfully submit the following:

The contract of September 30, 1908, constituted a complete settlement of all claims, controversies or differences which have arisen at that date. Article XIX of that contract reads as follows:

"The Government, the Railway Company and the Bondholders accept the present Arrangement as a definite settlement of all claims, controversies or differences which have arisen; and each agrees to loyally and faithfully carry out the terms set forth in this contract. The Arbitrators, to whom have been submitted the questions in dispute between the Government and the Railway Company, shall be requested by the Government and the Railway Company to notify their respective Governments that they accept and approve this contract as a definite settlement of all points referred to their decision."

In view of the foregoing, no other reason ought to be necessary to justify my recommendation. However, there are other reasons. For example, the agreement contained in the report of the conferences between the Government of Ecuador and the Railway Company, held from March 28 to April 6, 1919, reported to the Department in my No. 387 of June 7, 1919,[40] obligates the Government of Ecuador to pay an agreed sum in full settlement of the old claims of the Railway Company, amounting to over 800,000 sucres. The present proposal to again resort to arbitration looks very much to me like an effort on the part of the Government to get released from that obligation. Furthermore, the previous experiences with arbitrations of these matters have not been such as to lead me to look upon arbitration of these questions with any favor. The present administration will expire on August 31, 1920, and it is my belief that it is

[39] Neither printed.
[40] Not printed; see footnote 17, p. 184.

now proposing arbitration for the sole purpose of delay and to avoid meeting the obligation created by the agreement last above mentioned.

I think it would be a serious mistake for the Railway Company to consent to this proposal, and, in this opinion I have the concurrence of Mr. Dobbie, the Railway's General Manager.

I have [etc.] CHAS. S. HARTMAN

422.11G93/1052: Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *September 16, 1919, 5 p.m.*
[*Received September 16, 4.37 p.m.*]

3051. In reply to note transmitting substance of your 5790 August 9th, 5 p.m., the Foreign Office under date of September 11th states as follows:

"I note with satisfaction Your Excellency's remarks as to the prospective improvement in the company's affairs and I trust that the results will be such as to render it unnecessary for the British interests concerned to take into further consideration the question of having recourse to foreclosure.

While most anxious continue to cooperate with the United States Government in this matter I must at the same time point out to Your Excellency that should the anticipated improvement not be realized His Majesty's Government would hesitate to incur the responsibility of endeavoring to dissuade the Council of Foreign Bondholders from adopting a course which they may consider to be the only means of safeguarding the British interests involved in this undertaking."

DAVIS

422.11G93/1046

The Secretary of State to the Minister in Ecuador (Hartman)

No. 225 WASHINGTON, *October 4, 1919.*

SIR: Since the Ecuadorian Government has tacitly recognized the right of this Government to intervene in behalf of the Guayaquil and Quito Railway and its bondholders, as set forth in your No. 400, of July 9, 1919, you are instructed to advise the Minister of Foreign Affairs that the United States, while gratified by recent payments, nevertheless feels a growing concern over the continued failure of the Ecuadorian Government to adopt and carry out a definite program looking to the discharge of its cumulative obligations.

In view of the straightened [*sic*] situation in which this American enterprise finds itself as a consequence of such failure, and in

view of the recently expressed desire of the Ecuadorian Government to observe faithfully its agreements and comply with its obligations, you may seek to ascertain whether the Ecuadorian Government has initiated or has in contemplation any plan sufficiently general in scope to discharge the various obligations growing out of its relations with the railroad and its bondholders. You are further instructed to renew your efforts to secure assurances from the Foreign Minister of definite action in the near future in fulfillment of the following obligations:

One. The resumption of daily deposits of customs revenues in Ecuadorian banks to the credit of the Council of Foreign Bondholders, in accordance with the provisions of Article 17 of the Agreement of September 30, 1908, together with the payment of an amount sufficient to cover the arrears on the interest and sinking fund of the railway bonds.

Two. Interest payments on 80,000 pounds of Condore Bonds issued by the Ecuadorian Government to the promoters of the Railway in exchange for their assumption of the foreign debt of Ecuador.

Three. The deposit of money for interest and sinking fund on the Salt Bonds, issued to the bondholders in exchange for three coupons on the Railway Bonds of the General Series, in accordance with the provisions of Articles 1 and 2 of the Contract of September 30, 1908.

Four. Sinking fund payments on the 6 per cent Prior Lien Bonds authorized and issued under Article 7 of the Contract of September 30, 1908, and carrying "a preferential mortgage on the Railway and all its belongings as well as on the customs revenues on which the Government has guaranteed the payment of the interest and sinking fund on the Railway Bonds".

Five. The unpaid balance of 80,000 pounds recently promised by the Ecuadorian Government from the sale of cocoa which was to be applied to the general bond service.

Six. Payment of 68,000 sucres on July 2, 1919, an amount equal to the amount deposited by the Railway for remittance to London on its bond service in accordance with the terms of an agreement entered into with the Government on April 6, 1919, whereby the Government was to pay over to the Railroad for equipment and improvement of service an amount equal to the net earnings of the Railway deposited in Ecuadorian banks for application to the bond service.[41]

An itemized statement furnished by the railroad Company, showing the total amount due from the Government of Ecuador, as of July 2, 1919, is enclosed herewith for your information.[42]

Should you find that the Ecuadorian Government in good faith contemplates a plan for the discharge of the above obligations, you will endeavor to ascertain whether it involves the negotiation of a

[41] See footnote 17, p. 184. [42] Not printed.

further loan, or an increase in revenues, and if the latter, whether the necessary legislation could be expected from the present Congress.

. . . . . .

I am [etc.]

For the Secretary of State:
ALVEY A. ADEE

422.11G93/1057

The Vice President of the Guayaquil & Quito Railway Co. (Archer Harman) to the Secretary of State

NEW YORK, *October 6, 1919.*
[*Received October 11.*]

SIR: I beg to send you herewith copy of Resolutions adopted by the Directors of this Company at their meeting held on the 8th day of September, 1919.

I have [etc.] ARCHER HARMAN

[Enclosure]

Resolutions Adopted by the Directors of the Guayaquil & Quito Railway Co., September 8, 1919

WHEREAS there is now due the 1st mortgage bondholders of The Guayaquil and Quito Railway Company seven (7) years' interest, amounting to $3,783,025, and ten and one-half years' Sinking Fund, amounting to $1,105,675, besides a balance of interest and sinking fund due the Prior Lien 6s.

WHEREAS the Government of Ecuador was making payments before the war more than sufficient to cover the annual requirements.

WHEREAS the financial disturbances due to the war were given as the explanation for the cessation of remittances.

WHEREAS the war is over and business is being resumed on a large and profitable basis by the people of Ecuador.

WHEREAS the bonded indebtedness of Ecuador *per capita* is referred to by the Government as very small compared to that of other South American nations.

WHEREAS all the nations that have been involved in the great war are making tremendous sacrifices to meet the obligations incurred; and burdensome taxes are being assumed by individuals and corporations in order to maintain the credit of their countries,

THEREFORE, BE IT RESOLVED that the Government of Ecuador be asked, through the Directors representing her on the Board of Directors of the Railway, whether she is not willing to reorganize her finances on such a basis as will enable her to meet the obligation pro-

vided in the contract with the Railway Company, calling especial attention to the fact that the amount required is only 10% of her present revenues and a lower amount than that of most nations and to the fact that a tax of 1 Sucre *per capita* would furnish the sum necessary to meet the annual charges under the contract. Also that it is unfair to those who have furnished the money for this enterprise that they should be deprived of any return on their investment.

RESOLVED that a copy of this Resolution be sent to the President of Ecuador and the Secretary of State, Washington, and that the Government Directors be requested to enter into communication with their Government at once to ascertain what she is willing to do in order to remedy this unsatisfactory situation.

422.11G93/1064

The Minister in Ecuador (Hartman) to the Secretary of State

[Extract]

No. 479 QUITO, *December 13, 1919.*
[*Received January 12, 1920.*]

SIR: Referring to Department's instruction No. 225, of October 4, 1919, I have the honor to inform the Department that upon receipt of said instruction I addressed a note to the Minister for Foreign Affairs, of which the enclosed is a copy,[43] and at the same time I delivered to the Minister a translation of my note. . . .

My note was delivered on December 2, and on December 6 I received an answer from the Minister for Foreign Affairs advising me that he had transcribed the note to the Minister of Hacienda, who was requested to make report on the same. The Minister advised me that upon receipt of the answer from the Minister of Hacienda he would communicate its contents to me. As soon as this is received I will report its contents to the Department.

I have [etc.] CHAS. S. HARTMAN

422.11G93/1046: Telegram

The Acting Secretary of State to the Minister in Ecuador (Hartman)

WASHINGTON, *December 27, 1919, 11 a.m.*

In the report of the Minister of Finance regarding the public debt which appeared in *La Nacion* of November 23, the Minister charges that the administration of the Railroad has not been upon an economic basis, etc. Is the Department not correct then in its under-

[43] Not printed.

standing that no differences exist at present between the Government and the Railroad?

Department's instruction No. 225 of October 24 [4].

You will request an answer from the Ecuadoran Government at its earliest convenience.

POLK

422.11G93/1062 : Telegram

The Minister in Ecuador (Hartman) to the Secretary of State

QUITO, *December 30, 1919, 11 a.m.*
[*Received January 1, 1920, 11.30 a.m.*]

Department's December 27, 11 a.m. Mr. Norton says that no complaints have been made to railway officials, that administration of railroad is not now upon an economic basis and that salary budgets in force have been accepted by the Government commission.

The only present differences are failure of Ecuadorean Government to make interest remittances and to pay the money for new engines and other railway equipment required in *modus operandi*.[44]

Note requesting answer from Ecuadorean Government at its earliest convenience delivered yesterday.

HARTMAN

CONVENTION WITH THE UNITED STATES FOR THE ESTABLISHMENT OF AN INTERNATIONAL GOLD-CLEARANCE FUND

(See volume I, page 42, footnote 42.)

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[44] *Modus vivendi* summarized on p. 183.

EGYPT

RECOGNITION BY THE UNITED STATES OF THE BRITISH PROTECTORATE

123G193/3a

The Acting Secretary of State to the Agent and Consul General at Cairo (Gary), before leaving for his post

WASHINGTON, *November 2, 1917.*

SIR: Referring to your appointment by the President as Agent and Consul General of the United States at Cairo, Egypt, I have to inform you that this Government is advised through the American Ambassador at London [1] that, for the present, the British Government would prefer that no formal letter of credence be issued to you but that that Government would, upon the receipt of official notification of your appointment, secure for you the same measure of effective recognition as is enjoyed by your colleagues of equal rank at Cairo. The Ambassador further advises that it is the policy of the British Foreign Office not to issue exequaturs in respect of foreign consular appointments in Egypt in the present circumstances.

The American Ambassador at London has been given instructions by cable [1] to notify the British Government officially of your appointment and to request it to secure for you the recognition promised.

You are, therefore, instructed, on your arrival in Cairo, to exhibit this letter to the appropriate authorities as an identification of your official status, both as Agent and Consul General of the United States of America at Cairo, Egypt.

I am [etc.] FRANK L. POLK

123G193/6

The Agent and Consul General at Cairo (Gary) to the Secretary of State

No. 5 CAIRO, *February 18, 1918.*
[*Received April 9.*]

SIR: I have the honor to enclose herewith a copy of my note of January 25, 1918,[2] to General Sir Reginald Wingate, British High Commissioner to Egypt, in which I officially informed His Excellency of my appointment as Diplomatic Agent and Consul-General to Egypt, and that I had on that day assumed the duties of my office.

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[1] Telegram not printed.
[2] Not printed.

In conformity with the Department's instructions I enclosed for His Excellency's information a copy of the Department's unnumbered Instruction to me of November 2, 1917, relative to my appointment, in which my status was defined.

I also have the honor to inform the Department that on January 26, 1918, the day after I assumed charge of the Agency, I called, by appointment, upon the High Commissioner who returned my call within an hour. I was very cordially received by His Excellency and during the conversation I had with him (both at the Residency and at the Agency) I was impressed by what appeared to be his genuine pro-American sympathies and I feel sure that I will receive his hearty co-operation in the performance of my duties as Diplomatic Agent and in my official relations with the Egyptian Authorities. It may be pertinent to inform the Department that on the 5th instant the High Commissioner gave an official dinner in our honor at the Residency.

I also have the honor to inform the Department that I was received in informal audience by His Highness Sultan Fuad I on February 7, 1918. In the course of the audience, which lasted some twenty-five minutes, the Sultan spoke appreciatively of the United States and mentioned that Egypt was indebted for valuable services rendered by former American army officers who held commissions here under his father, Ismail Pasha, the first Khedive of Egypt. His Highness spoke in most complimentary terms of President Wilson and Secretary Lansing. He remarked that he had read their state papers with the greatest interest. Before leaving he begged me to convey his expression of goodwill and friendship to the President. My reception by the Sultan was most cordial and he has since invited us to a state dinner at the Palace.

For the Department's information I have the honor to explain that owing to the anomalous situation that has obtained in Egypt since the declaration of the British protectorate in 1914, the Department's Instruction of November 2, 1917, was exhibited only to the High Commissioner, who is also " in charge " of the Egyptian Ministry for Foreign Affairs.

I have [etc.] HAMPSON GARY

883.00/119 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *April 21, 1919, 9 p.m.*
[*Received April 22, 2.08 a.m.*]

1722. For Department's information. I have to-day, in view of necessity of immediate action sent the following telegram to our Agency at Cairo.

"I have delivered today to Mr. Balfour following letter.

'In answer to your inquiry the President has authorized me to inform you that he recognizes the British protectorate over Egypt which was announced by His Majesty's Government on November [*December*] 18, 1914.[3]

'The President has no objection to this decision being made public as he understands that it may help in the restoration of order and in the prevention of further bloodshed in [Egypt].

'You will no doubt realize, my dear Mr. Minister, that in according this recognition, the President must necessarily reserve for further discussion the details of formal recognition together with the question of a modification of any rights of the United States which this decision on his part may entail.'

"You may confer with General Allenby as to the best method of giving publicity to the contents of this. In that connection, I think it is proper that you might indicate that the President and the American people have every sympathy with the legitimate desires of the Egyptian people for a further measure of self government but that they [deplore] the effort to obtain such rights by anarchy and violence."

[Lansing]
AMERICAN MISSION

883.00/162

The Agent and Consul General at Cairo (Gary) to the Acting Secretary of State

No. 457 CAIRO, *April 26, 1919.*
[*Received June 2.*]

SIR: I have the honor to refer to the cablegram dated April 21st and received by me at about 12 o'clock noon on April 22nd, from Mr. Lansing at Paris, instructing me to formally acquaint the Egyptian Government with the fact that the President recognizes the British Protectorate over Egypt which was declared by His Majesty's Government on November 17 [*December 18*], 1914.

In pursuance with this instruction I called upon General Allenby the Special High Commissioner, at The Residency, at 2.30 the same afternoon, and communicated to him the substance of the Secretary's message, indicating, at the same time, that I had been directed to confer with him as to the best method of giving publicity to the contents of the message. The High Commissioner gave every evidence of being greatly pleased by the information contained in the telegram; after a short discussion as to its probable immediate result upon the situation and the desirability of effecting its publication with the least possible delay, General Allenby made the request that I incorporate its substance in an official note, to which I assented.

The formal notification of our recognition of the British Protectorate over Egypt, was delivered to The Residency by Vice-Consul Gotlieb at 5 o'clock the same afternoon. In the interim, during the

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[3] *Foreign Relations*, 1914, Supplement, p. 153.

course of its drafting, General Allenby, accompanied by Sir Milne Cheetham, called upon me at the Agency and requested permission to acquaint His Highness the Sultan with the fact of the recognition and upon receiving my affirmative reply, continued to the Palace for that purpose. I append the text of my note to the High Commissioner, which was rushed to press by the British authorities and appeared and circulated to an extent at 10 o'clock in the evening in the editions of the more important Cairo newspapers which bore date line of the following day.

AMERICAN
DIPLOMATIC AGENCY AND CONSULATE-GENERAL
CAIRO, EGYPT

April 22, 1919.

Excellency: I have the honor to state that I have been directed by my Government to acquaint you with the fact that the President recognizes the British Protectorate over Egypt, which was proclaimed by His Majesty's Government on December 18, 1914.

In according this recognition the President must of necessity reserve for further discussion the details thereof, along with the question of the modification of any rights belonging to the United States which may be entailed by this decision.

In this connection, I am desired to say that the President and the American people have every sympathy with the legitimate aspirations of the Egyptian people for a further measure of self-government, but that they view with regret any effort to obtain the realization thereof by a resort to violence.

Accept, Excellency, the renewed assurances of my high consideration.

(Signed) Hampson Gary

His Excellency
General Sir Edmund H. H. Allenby,
Special High Commissioner,
In Charge of the Ministry of Foreign Affairs
of Egypt.

General Allenby's formal acknowledgment of the above communication was delivered to me personally at 7 o'clock the same evening by one of the Residency secretaries.

. . . . . .

I have [etc.] HAMPSON GARY

883.00/187: Telegram

The Agent and Consul General at Cairo (Gary) to the Secretary of State

CAIRO, *August 30, 1919, 11 p.m.*
[*Received September 1, 10.02 a.m.*]

567. I am tonight in receipt by military courier of a letter from Special High Commissioner Allenby at Alexandria reading as follows:

"I hasten to communicate to you the substance of two telegrams received from Paris last night addressed by Saad Zaghloul to Mohammed Pasha Suliman [at] Cairo. These telegrams are obviously false and unfortunately have been reproduced in certain native papers both in Cairo and Alexandria. I enclose you a copy in translation of the paragraphs which have been published and according to my information here an untoward impression has been created. In these circumstances, I have recourse to your good offices in the hope that you will be able to communicate an official or semiofficial *communiqué* to the press denying the accuracy of the statement made by Saad Zaghloul and I would further be grateful if you would kindly notify your Government and ask them to telegraph out an official denial of the statements as made by Saad Zaghloul."

The translation of the published text of the first [telegram?] in the Cairo *Misr* referred to by General Allenby reads as follows:

"The Committee for the Council of Senate decided that Egypt is considered neither under Turkey or Great Britain and that it governs itself."

The text of the second telegram reads as follows:

"Paris, August 29, 6 p.m.

To Mohammed Suliman Pasha Cairo.

We received a telegram from America notifying that the Committee of Foreign Affairs in the American Senate has decided that Egypt politically is neither under Turkey nor Great Britain but is self [governed] and able to look after her own interests.

Signed Saad Zaghloul"

I am writing General Allenby that I may not give either an official or semiofficial statement to the press about this matter but that I am communicating with the Department with the view to obtaining precise instructions. Please cable instructions immediately.

GARY

883.00/187 : Telegram

The Secretary of State to the Agent and Consul General at Cairo (Gary)

WASHINGTON, *September 4, 1919, 9 a.m.*

Your 567 August 30. You may deny statement that Committee on Foreign Affairs of American Senate has decided that Egypt politically is neither under Turkey nor Great Britain but is self-governed.

LANSING

883.00/234

The Agent and Consul General at Cairo (Gary) to the Secretary of State

No. 655 CAIRO, *November 24, 1919.*
[*Received December 29.*]

SIR: Referring to my telegram No. 567 of August 31 [*30*], 11 p.m., and the Department's telegraphic reply thereto of September 4, 9 a.m., I have the honor to enclose for the Department's full information and as a matter of record, copies of translations of editorial comments appearing in the more important Cairo Arabic newspapers,[5] relative to the action of this Agency in officially denying the accuracy of Saad Zaghloul Pasha's telegram announcing the recognition of Egyptian independence by the Committee for Foreign Affairs of the United States Senate.

It will be recalled that upon receipt of the Department's cable instructions referred to above, which authorized this Agency to deny the accuracy of the statement contained in the Zaghloul telegram, I delivered to the local press on September 6th a *communiqué* which appeared the next day in the following form:

"We are officially informed by the American Diplomatic Agency that the statement to the effect that the Committee on Foreign Affairs of the American Senate has decided that Egypt politically is neither under Turkish authority nor Great Britain but is self-governed, is erroneous."

Although, as will be seen from the enclosures to this despatch,[5] it was subjected to sharp criticism in the native press on the score of its inadequacy, and its failure to indicate the nature of the error committed, (an inevitable omission, since I could not allow it to embody more than the substance of the Department's own Instruction), it was of striking utility in calming down the local situation and exerted a most sobering influence upon the native population, buoyed up by false hopes of American support. The promptness with which this *démenti* was issued, and its decided tone, served, I am convinced, in great measure to discourage any further attempts at misrepresentation of the attitude of the United States by Nationalist agents in Paris and London with a view to exciting Egyptian public opinion.

I regret that I am obliged to transmit this material at so late a date, when the question at issue has been superseded in the public mind by others of greater moment, and no longer can be regarded as possessing any distinct bearing upon the existing situation.

I am confident, however, that the Department fully realizes under how great a handicap the work of this office is being conducted,

[5] Enclosures not printed.

where two career officers are obliged to discharge the duties of the four officers which, in the past, were the usual complement of this post.

Under the circumstances, the Department will appreciate that I was under the necessity of making the verification of the enclosed translations wait upon the performance of more urgent and pressing, if less significant, routine duties.

I have [etc.] HAMPSON GARY

883.00/218

Senator Owen to the Secretary of State

WASHINGTON, *November 29, 1919.*

MY DEAR MR. SECRETARY: The question has arisen as to the interpretation of the recognition by the United States of the British protectorate over Egypt. This recognition was in the following language:

[Here follows communication to the British Special High Commissioner quoted in despatch No. 457, April 26, from the Agent and Consul General at Cairo, printed on page 203.]

When the protectorate over Egypt was proclaimed by Great Britain, King George sent a telegram to the Sultan of Egypt, which was published in the London *Times* of December 21, 1914. This telegram was as follows:

"On the occasion when Your Highness enters upon your high office, I desire to convey to Your Highness the expression of my most sincere friendship and the assurance of my unfailing support in safeguarding the *integrity* of Egypt and in securing her future well-being and prosperity.

"Your highness has been called upon to undertake the responsibility of your high office at a grave crisis in the national life of Egypt, and I feel convinced that you will be able, with the cooperation of your ministers and the protection of Great Britain, to successfully overcome all the influences which are seeking to destroy the *independence* of Egypt and the wealth, liberty and happiness of the people.

(Signed) George R. and I."

To this the Sultan of Egypt replied:

"I present to Your Majesty the expression of my deepest gratitude for the feelings of friendship with which you see fit to honor me, and for the assurance of your valuable support in safeguarding the *integrity* and *independence* of Egypt. . . ."[6]

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[6] Omission indicated in Senator Owen's letter.

It appears, therefore, that when this protectorate was proclaimed it was announced as merely a measure to preserve the integrity and independence of Egypt.

A protectorate, in international law, certainly does not mean sovereignty, and the assumption of sovereignty under the guise of a protectorate would be unwarranted and contrary to international law.

On September 2 last, the British Embassy at Washington issued a public statement, among other things saying: "The British Government has carefully avoided destroying Egyptian sovereignty."

Field Marshal Allenby, British High Commissioner in Egypt, however, the other day issued a proclamation stating that Great Britain would accord certain autonomy to Egypt. This is apparently an assumption of sovereignty, for only the sovereign can grant autonomy.

As I construe the recognition by the United States of the British protectorate over Egypt it is qualified and subject to reservation for further discussion, and in according this recognition I do not understand that the United States intended to deprive the people of Egypt of any of their rights of sovereignty or independence, but the protectorate so recognized was merely a measure for preserving the integrity and independence of Egypt until the same could be guaranteed by a league of nations or an agreement among the powers.

Moreover Section [*Article*] 148 of the treaty contemplates negotiation between Great Britain and the other Governments with regard to the Egyptian matter which I take it was by necessary interpretation to deal with the question of the rights of the Egyptian people under the conditions implied by the above quotations and by the express terms of your letter of November 5, 1918,[1] stating the conditions upon which the United States and the entente allies would agree to the armistice.

As this matter comes before the United States Senate in an official way in connection with the ratification of the Treaty of Peace with Germany, which has in it a clause recognizing the British protectorate over Egypt, I desire to be entirely accurate as to the meaning of this protectorate.

Will you kindly let me know, therefore, whether the interpretation I have given above is correct, i.e., that the United States has never recognized any sovereignty in Great Britain over Egypt and did not intend, by the qualified recognition of the protectorate, to transfer from the Egyptian people any of their rights of sovereignty and independence?

I will appreciate an early reply.

Yours sincerely, ROBT. L. OWEN

[1] *Foreign Relations*, 1918, Supplement 1, vol. I, p. 468.

883.00/218

The Secretary of State to Senator Owen

WASHINGTON, *December 16, 1919.*

SIR: I have the honor to acknowledge the receipt of your letter of November 29th last, in which you inquire as to the effect of this Government's recognition of the so-called protectorate proclaimed by Great Britain over Egypt on December 18, 1914.

In reply I beg to state that the Department does not understand that Egypt was, prior to the British proclamation of December 18, 1914, in possession of full independent sovereign rights.

The effect of this Government's qualified recognition of April, 1919, was to acknowledge with the reservation set forth at that time only such control of Egyptian affairs as had been set forth in the notice of the British Government transmitted to the Department on December 18, 1914, a copy of which is enclosed.[8]

It is assumed that it is the purpose of Great Britain to carry out the assurances given by King George the Fifth of England to the late Sultan of Egypt, as published in the London *Times* of December 21, 1914.

I have [etc.] ROBERT LANSING

883.00/218: Telegram

The Secretary of State to the Agent and Consul General at Cairo (Gary)

WASHINGTON, *December 22, 1919, 1 p.m.*

Confidential. Egyptian Delegation here had published in the press today extracts from a note from the Secretary of State to Senator Owen dated December 16 in reply to an inquiry from the Senator as to the effect of this Government's recognition of the protectorate proclaimed by Great Britain over Egypt on December 18, 1914.

Extracts were published in such a manner that some people might deduce that the American Government was unfavorably disposed toward the so-called British protectorate.

British Embassy here fears that same may be telegraphed to Cairo with a view of stirring up trouble. If anything appears in the Egyptian press in regard to this letter inform the Department fully at once so that if necessary further instructions may be sent you.

LANSING

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[8] See *Foreign Relations*, 1914, Supplement, pp. 152–153.

FINLAND

RECOGNITION AND ESTABLISHMENT OF DIPLOMATIC RELATIONS[1]

Recognition of Independence and of the "de facto" Government by the United States, May 7, 1919—Appointment of an American Commissioner with Rank of Minister, May 24—Reception of the Minister of the "de facto" Government of Finland by the Acting Secretary of State, Provisionally, May 27; by the President, August 21—Unqualified Recognition of the Government of Finland, January 12, 1920—Appointment of an American Chargé d'Affaires, March 12, 1920

860d.01/8 : Telegram

The Minister in Sweden (Morris) to the Acting Secretary of State

STOCKHOLM, *February 15, 1919, 6 p.m.*
[*Received February 16, 12.35 p.m.*]

3631. The Finnish Minister of Foreign Affairs Charles Enckell is in Stockholm today and has called upon me at the Legation. Enckell informs me that the French representative at Helsingfors about two weeks ago told Finnish Government that England was willing to recognize Finland and the French and English Governments were now waiting the reply of the other Allies. Enckell requests me to ascertain when it will be possible for them to know what disposition the remainder of the Allies will take on this matter. Ammission's number 100.

MORRIS

860d.01/8 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *February 19, 1919, 4 p.m.*

792. Is Department correct in assuming that you will answer direct Stockholm Legation's telegram No. 100, February 15 to you regarding recognition of Finland?

POLK

860d.01/9 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *February 22, 1919, 5 p.m.*
[*Received 6.57 p.m.*]

868. Your 792, February 19, 4 p.m. The following telegram has been sent to the Legation at Stockholm:

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[1] See also *Foreign Relations*, 1918, Russia, vol. II, pp. 723 ff.

"Your 100, February 15, 6 p.m. Please say to Minister Enckell that I am unable to answer his question as the matter is still under consideration but that I shall not fail to advise you as soon as a decision has been reached. Copy of this telegram has been sent to the Department."

Lansing

AM[ERICAN] MISSION

860d.01/10: Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *March 1, 1919, 6 p.m.*

[*Received 8.08 p.m.*]

988. My 868, February 22, 5 p.m. Hoover[2] states that 14,000,000 dollar credit in National City Bank in favor of Bank of Helsingfors would be available for food purchases for Finland[3] if American Government should grant provisional recognition Finnish Government. Mission believes British and French inclined to favor such a step. However Mission feels that general elections, expected to take place March 1st, can alone determine whether present Government has people's mandate. In event election results in clear manifestation of public will, Mission is disposed to raise without delay question of provisional recognition by Associated Governments. What are Department's views? Lansing.

AM[ERICAN] MISSION

860d.01/10: Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *March 4, 1919, 3 p.m.*

950. Your 988, March 1st, 6 p.m.

Department concurs in views of Mission. I believe impending elections[4] should determine whether present government has people's mandate. If this proves to be the case, I believe we should grant provisional recognition at once, not only to clarify situation, but also to steady the new government.

If elections fail to be conclusive I still believe we should send some message to the Consul at Helsingfors which will make it evident to the Finnish people that the people of the United States sympathize with their aspirations for independence and appreciate their desire for national existence.

POLK

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[2] Herbert C. Hoover, U.S. Food Administrator.

[3] See also *Foreign Relations*, 1918, Supplement 2, pp. 572–588.

[4] The elections were held Mar. 1.

860d.00/374a: Telegram

The Acting Secretary of State to the Consul at Helsingfors (Haynes)

WASHINGTON, *March 4, 1919, 3 p.m.*

Please report fully result of elections indicating especially how far results indicate a mandate from the people.

POLK

860d.00/380: Telegram

The Consul at Helsingfors (Haynes) to the Acting Secretary of State

HELSINGFORS, *March 11, 1919, 6 p.m.*
[*Received March 12, 12.40 p.m.*]

196. Not quite all votes counted but the results will be approximately as indicated in my number 194 [2] as follows: Swedish 116452, Coalition 145338, Progressive 128162, Socialist 394645, Agrarian 169075, scattering 5669, total 959341. The foregoing gives Diet membership Swedish 22, Coalition 28, Progressive 26, Agrarian 42, Socialist 82. Despite the size of the Socialist vote it still fails to show all the strength of that element in Finland because,

1. Their political machinery was disorganized.
2. The civil war deprived thousands of suffrage.
3. Very few Socialist newspapers allowed.
4. Confiscation of propaganda.
5. Election meetings prevented and threats against distributors of labor literature.
6. Hundreds of the laboring poor afraid to go to the polls.

On April 1 will assemble the new Diet where the Socialists will demand,

1. Disarmament of White Guards. These are apart from the regular army and consist of armed bodies organized to preserve order and to hold Reds in check.
2. Full amnesty and restored suffrage to all Reds.
3. Eight hour working day.
4. A less stringent military law.

The first of the foregoing is pregnant with danger because if the Agrarians should support the Socialists in making it illegal for one class to be armed against another, it is absolutely certain that the Bourgeois will refuse to disarm the White Guards and thus, due to the eternally uncompromising character of the Finn strengthened by the striving of the old principle of power against the new princi-

[2] Not printed.

ple of freedom, there would be presented the world age [*age-old?*] problem of preserving peace in a country where the minority portion of the population is illegally armed against a helpless majority, for the refusal of the White Guards to disarm will be based upon the reason that only those who have the guns are safe and to avoid all risks no Reds will be encouraged to carry them. It all depends on the attitude which the Agrarian Party may take. There are now rumors that this party may vote with the Bourgeois particularly on this first point and also that of Mannerheim retention [3] but it is safe to say that no Socialist will consent to enter the new cabinet unless the White Guards are disbanded. The second point may be compromised by allowing amnesty to all Reds except the leaders. The third point will be gained by the Socialists and on the others [*fourth*] perhaps a compromise.

HAYNES

860d.00/380 : Telegram

The Acting Secretary of State to the Consul at Helsingfors (Haynes)

WASHINGTON, *March 20, 1919, 5 p.m.*

Your 196, March 11, 6 p.m.

Department feels that recognition should be given Finland after the formation of the new government on April 1, therefore you are authorized to let the Finnish authorities know informally that the United States feels that recognition as a *de facto* government could be given to any properly constituted government established on democratic principles and with a policy not in conflict with the Allies, which may result from the recent Finnish elections.

You may also exercise greater freedom in dealing informally with the present government, at the same time making it plain that your relations must not be construed as recognition.

POLK

860d.01/16 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *April 12, 1919, 4 p.m.*

1558. Referring to telegram from Consul at Helsingfors dated April 10, 5 p.m.,[4] summarizing situation and recommending that our recognition of Finland should come immediately the new Constitution is determined, and if possible before that of Great Britain

[3] Gen. Gustaf Mannerheim had been elected Regent of Finland Dec. 12, 1918.
[4] Not printed.

or at least simultaneously with that of Great Britain. Department does not believe that recognition of Finland should be made jointly by the United States and Great Britain but is inclined to think that it would be well if we could arrange with British Government that recognition should be made simultaneously.

If you approve I will see what can be done through the Embassy at London.

POLK

860d.01/21 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *May 5, 1919, 8 p.m.*
[*Received 9.20 p.m.*]

1992. At a meeting last Saturday afternoon, May 3, of the so called Council of Ministers of Foreign Affairs, at which representatives of the United States, Great Britain, France and Japan were present, the question of the recognition of the independence of Finland was considered and it was agreed:

> "1. That the Governments of the United States of America and Great Britain would forthwith severally recognize the independence of Finland and the *de facto* Government.
>
> 2. That after the recognition of the independence of Finland and after the appointment of official diplomatic representatives, the Governments of America, Great Britain, and France would issue instructions to their representatives to urge the Finnish Government to accept the decisions of the Peace Conference in regard to the frontiers of Finland. Furthermore, the Finnish Government would be urged to treat the Red Finns who had fought with the Allies in a liberal and generous spirit by the grant of an amnesty.
>
> 3. That Baron Makino (the Japanese representative) would forthwith communicate the above decisions to his Government with a view to its taking similar action."

I propose, therefore, to give the following statement to the press tomorrow evening for publication in the newspapers Wednesday morning and suggest that you do likewise.

"In view of the fact that the people of Finland have established a representative Government, the Government of the United States of America declares that it recognizes the Government, so constituted, as the *de facto* Government of an independent Finland."

I should be glad to know as soon as possible whom the Department proposes to send as our representative to Helsingfors. Lansing.

AMERICAN MISSION

860d.01/23 : Telegram

The Consul at Helsingfors (Haynes) to the Acting Secretary of State

HELSINGFORS, *May 6, 1919, 5 p.m.*
[*Received May 7, 9.47 a.m.*]

264. Helsingfors British Consul this afternoon informed Finnish authorities

"I am instructed by Earl Curzon of Kedelston to inform Finnish Government that Great Britain has recognized the independence of Finland and of the *de facto* Finnish Government".

Finnish authorities inform me they had been advised by official representatives in Paris that such recognition would come from America and Great Britain simultaneously. Political conditions, same as in former telegrams except Bolsheviki have retaken Olenets. It would seem, judging from events in Karelia, that the British General Staff has accomplished this *de facto* recognition to obtain Finnish support against the Bolsheviki with the hope eventually of taking Petrograd with Russians from Finland in front.

HAYNES

860d.01/27a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *May 6, 1919, midnight.*

1880. For the Secretary of State. Will announce recognition of Finland for Wednesday afternoon papers. I assume you have already instructed Consul at Helsingfors regarding steps he is to take in making official announcement to the Government of Finland.

POLK

860d.01/71

The Secretary of State to the Finnish Minister of Foreign Affairs (Holsti)

PARIS, *May 7, 1919.*

EXCELLENCY: I have the honor to inform Your Excellency that the United States has recognized the independence of Finland and the Government, of which Your Excellency is a member, as the *de facto* Government of Finland.

In assuring Your Excellency of the pleasure it gives me to make this announcement, I have [etc.]

ROBERT LANSING

860d.01/24 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *May 7, 1919, 10 p.m.*
[*Received May 7, 9.40 p.m.*]

2031. Your 1880, May 6th, midnight. Have to-day telegraphed American Consul, Helsingfors, quoting portions of American Mission's number 1992, of May 5th, 8 p.m., and instructing him to inform the Finnish Government of the recognition of Finland. Lansing.

AMERICAN MISSION

124.60d/1a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *May 13, 1919, 7 p.m.*

1956. Your 1992, May 5, 8 p.m.

As soon as necessary legislation can be procured from Congress to establish Diplomatic Mission in Finland, Department proposes to recommend one of the Senior Secretaries of the Diplomatic Service for appointment as Minister and hopes that legislation can be procured by July 1.

In the meanwhile Department suggests Mission may wish to consider sending temporary Diplomatic Commission on visit of sympathy and felicitation from the Government and people of the United States to Finland upon achieving independence.

I believe we should take some step to show sympathy and friendship and believe this could be effected by sending a Commissioner with rank of Minister Plenipotentiary accompanied by appropriate Military, Commercial and Financial Attachés, who could be selected from men now in Europe.

If you are unwilling to send such a Commissioner I would recommend that Consul Haynes be appointed temporarily as Commissioner of the United States with rank of Minister Plenipotentiary. This would probably require his subsequent transfer to another post upon the arrival of a duly accredited Minister, but the Director of the Consular Service informs me that such a transfer would not conflict with the plans he has for the personnel of the Consular Service.

POLK

860d.01/71

The Finnish Minister of Foreign Affairs (Holsti) to the Secretary of State

PARIS, *May 14, 1919.*

EXCELLENCY: I have the honor to acknowledge the receipt of the letter of the 7th instant in which Your Excellency has been kind enough to inform that the United States have recognized the independence of Finland and the Finnish Government as the *de facto* Government of Finland.

At the outbreak of the world war the Finnish nation greeted with profound satisfaction the solemn declaration of the Allied Governments that they were fighting for the cause of democracy and the fundamental rights of all small nations. This silent joy was greatly intensified when His Excellency, President Wilson at the entering of the United States into the war laid down his noble principles of national selfdetermination and of the League of Nations capable of safeguarding the vital interests of all small States.

Since the declaration of her independence on December 6th, 1917, Finland has experienced hardships which have inflicted deep wounds in her body and soul. It is due to the confidence of the Associated Governments and especially to the humanitarian work of the American Relief Administration that since the beginning of the current year the devastation of human lives in Finland and general suffering from famine have been greatly mitigated. The Finnish nation during the course of several hundreds of years has become only too familiar with most ravaging wars and undescribable sufferings from famine. But generation after generation have endured in the hope that the struggle for existence of their race once would be lessened and Finland would attain her modest place among the independent States of Europe. Therefore Your Excellency's letter will remain for ever one of the surest shields of Finland's independence and a noble guide to her of the lofty ideals which have been the fundamental source of the democratic freedom of the United States themselves.

In view of all the aforesaid facts I beg leave on behalf of my Government to express to Your Excellency the sentiments of the most profound gratitude regarding the decision of the Government of the United States to recognize Finland as an independent sovereign State.

I have [etc.] RUDOLF HOLSTI

701.60d11/24

The Finnish Delegate (Saastamoinen) to the Acting Secretary of State

SIR: Having been appointed Delegate of the Finnish Government to the United States of America, I take the liberty of tendering you a copy of my letter of credence, sincerely hoping that you will receive me personally so as to give me an opportunity to present you the original thereof.

I beg to remain [etc.] A. H. SAASTAMOINEN

WASHINGTON, *May 19, 1919.*

[Enclosure—Translation]

Letter of Credence of the Finnish Delegate (Saastamoinen)

We, Baron Carl Gustaf Emil Mannerheim, Regent of Finland, desiring to establish relations of friendship and good understanding between Finland and the United States of America and also to enter into negotiations with the Government of that Republic on all questions bearing on the political and economic relations of the two States, therefore and placing full reliance in the ability, zeal and devotion of Armas Herman Saastamoinen, our Envoy extraordinary and Minister Plenipotentiary at Copenhagen, we have appointed and commissioned the said Armas Herman Saastamoinen in the capacity of delegate of the Government and by these presents, signed by us, we do appoint and commission him to discuss and negotiate all the aforesaid questions with the person or persons who shall have been authorized thereto by the Government of the United States of America.

In Faith whereof we have ordered these presents to be sealed with the Seal of the State.

Given at Helsingfors on the fifth day of the month of March of the year of Grace one thousand nine hundred and nineteen.

G. MANNERHEIM

[SEAL]

CARL ENCKELL

123H331/144 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *May 21, 1919, 2 p.m.*

[*Received 2.18 p.m.*]

2189. Your 1956, May 13, 7 p.m. Temporary appointment of Consul Haynes as Commissioner of United States at Helsingfors with rank of Minister Plenipotentiary is approved. Lansing.

AMERICAN MISSION

123H331/144a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *May 24, 1919, 4 p.m.*

2084. For Haynes, Helsingfors.

Pending the establishment of a legation in Finland which requires Congressional legislation, and arrival there of a duly accredited Minister, you are appointed Commissioner of the United States to Finland with rank of Minister Plenipotentiary. You will please take early opportunity to inform the Finnish Government of your appointment as Commissioner for the time being, and express on behalf of the President and people of the United States, their hearty congratulations upon the achievement by the Finnish people of their national independence with cordial good wishes for the happiness and prosperity of Finland. You may also inform the Finnish Government that the Department has taken pleasure in informing Mr. Saastamoinen today that he will be received as Minister of Finland provisionally pending the return of the President when he can present his credentials in the usual manner.

During the time you act as Commissioner you will receive, in addition to your Consular salary and post allowance, a separate allowance for living and other expenses of representation of $500 a month to be drawn and accounted for as for purpose described without itemization. Upon the arrival of a regularly accredited Minister you will be transferred to another post.

POLK

701.60d11/15a

The Acting Secretary of State to the Finnish Provisional Minister (Saastamoinen)

WASHINGTON, *May 27, 1919.*

SIR: I have the honor to acknowledge the receipt of your note of May 19, informing me of your arrival in Washington for the purpose of establishing diplomatic relations between Finland and the United States of America and in reply beg to inform you that I shall be very glad to receive you on Tuesday, the 27th of May at fifteen minutes past eleven o'clock.

In view of the President's absence in Europe, the Department of State will be glad to accord you recognition as provisional Envoy Extraordinary and Minister Plenipotentiary of the *de facto* Government of Finland as of this date, formal recognition to be accorded when the President receives you in audience for the purpose of presenting your formal letters of credence, which it is understood are now being forwarded to you by your Government.

Upon the return of the President to Washington arrangements will be made for your formal presentation and the delivery of your letters of credence.

Accept [etc.] FRANK L. POLK

860d.01/50

Memorandum of the Third Assistant Secretary of State (Long)

[WASHINGTON,] *August 9, 1919.*

The Minister of Finland called today and asked that Finland be accorded recognition as a Government *de jure*. He said that a constitution had been adopted; that officers had been elected under it; that those officers were now in authority, and extending their authority under the constitution over the whole of Finland; that his Government was in a sound economic and financial condition, and had a coordinate political control. He left with me several memoranda [6] and asked that they be considered by the Department, and that he be given some answer on his request. I told him that the matter would have very careful consideration by the Department, and that we would communicate with him.[7]

BRECKINRIDGE LONG

701.60d11/29

The Secretary of President Wilson (Tumulty) to the Secretary of State

WASHINGTON, *August 21, 1919.*

MY DEAR MR. SECRETARY: By the President's direction, I am sending you herewith a communication left with him today by the new Minister of Finland. I also enclose a copy of the remarks made on this occasion by the Minister, as well as a copy of the President's response thereto.

Sincerely yours, J. P. TUMULTY

[Enclosure 1—Translation [8]]

The Regent of Finland (Mannerheim) to President Wilson

GREAT AND GOOD FRIEND: Highly desirous of manifesting to Your Excellency the importance I attach to the maintenance of friendly

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[6] Not printed.

[7] In an attached memorandum, dated Aug. 18, the Second Assistant Secretary of State, A. A. Adee, suggests: "If it is deemed advisable to recognize the present Government of Finland as the established Government of Finland, this may be done very simply by the President receiving Mr. Saastamoinen as the 'Minister of Finland,' instead of the Minister of the *de facto* Finnish Government."

[8] Supplied by the editor.

relations with the United States of North America, I have decided to accredit to Your Excellency, in the capacity of Envoy Extraordinary and Minister Plenipotentiary, Mr. Saastamoinen, Armas Herman, Chevalier of the Cross of Liberty, 2nd Class; Commander of the Cross, 1st Class, of the Order of the White Rose of Finland, etc., etc. The qualities that distinguish this agent, his experience, his tact, his zeal, give me the assurance that he will devote all his efforts to obtain the confidence and esteem of Your Excellency and of the Government of the United States and to meriting thus my approval. In this conviction I beg Your Excellency to receive him with good will and to place complete faith and credit in all that he tells you on my behalf, especially when he expresses to you, Dear and Great Friend, the assurances of my high esteem and of the deep interest I take in the prosperity of the United States of North America.

Written at Helsingfors. 20 June 1919.

G. MANNERHEIM
[SEAL]
LEO EHRNROOTH

[Enclosure 2]

Remarks of the Finnish Minister (Saastamoinen) on the Occasion of His Reception by President Wilson, August 21, 1919

MR. PRESIDENT: I have the honor to tender to you, Mr. President, my letter of credence.

Being the first representative of Finland in the United States, I beg to express to you, Mr. President, the deep and sincere gratitude of the Finnish people for the recognition of our independence. We now feel that we have firm ground under our feet and although we are fully aware of the great difficulties ahead—owing to the general unrest in the world—we are confident that we will be able to overcome even the danger from the east with the help of friendly nations.

We are not only thankful to the United States for the recognition of our independence, but we are deeply grateful to this country for the magnificent aid we have received in the form of foodstuffs. I can say that we were saved from direct starvation by the timely assistance of the United States, and we will never forget this.

Mr. President. Although the official connections between Finland and the United States are very young, the intercourse between these two countries is in fact very old. The first Finns came to this country over two hundred and fifty years ago. They were among the first settlers in Delaware. Since that time there has been a considerable influx of Finns to this country and up to the present time several hundred thousand have made their homes here. This has created a lively intercourse between Finland and the United States

and I can say that the new ideas and impressions which we have received from here have had markedly beneficial influence upon the people of Finland. This is not the least of our indebtedness to America.

Mr. President. I beg to assure you that my country wishes to establish and maintain the friendliest and most cordial relations with the United States and that no effort will be spared to win the confidence and sympathy of your country.

[Enclosure 3]

President Wilson's Reply to the Remarks of the Finnish Minister (Saastamoinen) on the Occasion of His Reception, August 21, 1919

Mr. Minister: It gives me great satisfaction to receive from you the letters by which His Excellency, the President of Finland, accredits you as Envoy Extraordinary and Minister Plenipotentiary of Finland near the Government of the United States and I greet you Mr. Minister as the first representative of a new government destined to be a real factor in the solution of many of the problems which now confront the peoples of the world. One task to which we have set our hands has been accomplished in the successful conclusion of the greatest war in history and we can look forward with some degree of satisfaction to a future made better through our sacrifices.

The Government of the United States in recognizing Finland as a *de facto* independent government was prompted by sympathies for a cause similar to that which caused our own declaration of independence in 1776. We have gained in strength and prosperity and we are more than willing to share the results of our efforts with a people seeking to free themselves from a dominating power and to voice their own principles of self government.

As you say many Finns have sought homes in our broad territory and it is with much pleasure that I say to you that their coming has been our gain. They have helped our new and growing country by their industry and their zeal and many have become of the best of American citizens.

My entire sympathy is with the people of Finland and I gladly pledge to you my earnest cooperation in all that tends to advance the valued friendly relations and happy intercourse between the United States and Finland. I cannot but feel that any question which may hereafter arise affecting our common interests will be dealt with in an enlightened manner satisfactory to both governments.

Mr. Minister may your stay in this Capital be fruitful in results and pleasant in the experience you will have with the officers of this Government who will be assiduous in their efforts to strengthen the relations so recently established.

701.60d11/32a

The Secretary of State to the Finnish Minister (Saastamoinen)[8]

WASHINGTON, *August 23, 1919.*

MY DEAR MR. MINISTER: I beg to hand you herewith a copy of the President's reply to the remarks made by you yesterday[9] on presenting your letter of credence as Envoy Extraordinary and Minister Plenipotentiary of the *de facto* Government of Finland.

I am [etc.] ROBERT LANSING

860d.01/47 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *December 6, 1919, 3 p.m.*

6247. Please ascertain the views of the Foreign Office with regard to full recognition of Government of Finland.

It is considered desirable that if full recognition be accorded, it be determined upon contemporaneously by the four principal associated governments.

Repeat to Paris and Rome.

LANSING

860d.01/48 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *December 8, 1919, 5 p.m.*
[Received December 8, 3.30 p.m.]

3504. Your 6247, December 6, 4 [*3*] p.m., regarding recognition of Finland. Announcement made in House of Commons referred to in my 2000, May 7, 5 p.m.,[10] was as follows:

"His Majesty's Government have now recognized the independence of Finland and the *de facto* Finnish Government."

Foreign Office informs me that this was a loose statement but intended to convey *de jure* recognition of the hitherto *de facto* Gov-

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[8] Addressed to him as "Minister of the *de facto* Government of Finland."
[9] This note had apparently been drafted Aug. 22.
[10] Not printed.

ernment; that a telegram of recognition was despatched by the British Peace Delegation at Paris on May 4th or 5th; and that since that time British Chargé d'Affaires have [*has?*] functioned in Finland until the arrival there a fortnight ago of Lord Acton, the British Minister.

Ossian Donner presented his credentials as Finnish Minister here on November 14.

DAVIS

860d.01/53

The Finnish Minister (Saastamoinen) to the Secretary of State

No. 1321 WASHINGTON, *December 20, 1919.*

YOUR EXCELLENCY: On December 6, 1917, the Parliament of Finland declared Finland an independent nation, and since then this independence has been recognized by all civilized countries, they having entered into diplomatic relations with the Government of Finland. The recognition of the United States of America was given on May 7, 1919, by the following note signed by Your Excellency at Paris, and addressed to the Foreign Minister of Finland, Dr. Rudolf Holsti:

Paris, 7 May 1919

Excellency: I have the honour to inform Your Excellency that the United States has recognized the independence of Finland and the government, of which Your Excellency is a member, as the *de facto* Government of Finland.

In assuring Your Excellency of the pleasure it gives me to make this announcement, I have [etc.]

Robert Lansing

His Excellency
Dr. Rudolf Holsti,
etc., etc., etc.,
Hotel des Iles Britanniques,
22 Rue de la Paix,
Paris, France.

The Government of Finland entrusted to the undersigned, as Envoy Extraordinary and Minister Plenipotentiary, the duty of representing it near the Government of the United States; and on August 21, 1919, the undersigned had the honor of submitting his letter of credence to President Woodrow Wilson.

However, in view of the fact that in the official correspondence had by the undersigned with Your Excellency, it has been almost uniformly emphasized in the notes received by the undersigned, that the present government of Finland is the *de facto* government of Finland, communications being addressed To the Envoy Extraordinary and Minister Plenipotentiary of the *de facto* Government of

Finland, and as that fact points to a possible impression on the part of the Government of the United States that the government recognized by the United States as the government of Finland does not as such lawfully represent the entire Finnish people, although it actually has the governing power in its hands, I beg to submit the following for the enlightenment of the subject and to show that the Government of Finland is not only a government *de facto*, but also *de jure*, and that it represents the people of Finland.

When Finland was joined to the Russian Empire in personal union as an autonomous state, Finland had a constitutional form of government, which the Czars of Russia as Grand Dukes of Finland, have regularly ratified and guaranteed by oath upon their ascending the throne, throughout the past century, although the last ruler of Russia in a large measure forgot the solemn assurances given to Finland under oath. According to its constitution, Finland had her own legislation, her own monetary system and her own executive government. The Finnish people exercised their legislative power through the four-chambered Diet, which in 1906 was changed to a one-chambered Parliament, at the same time the right of suffrage was extended so that every citizen of Finland having reached the age of twenty-four years, regardless of sex, had equal suffrage in the parliamentary elections. When the last ruler of Russia Nicholas II, was dethroned by the revolution, and Russia came into a state of complete anarchy, the people of Finland took their destiny into their own hands, and the Parliament of Finland elected in the above mentioned manner, declared Finland an independent and sovereign nation. The executive power at that time was in a cabinet made up, according to parliamentary practice, of persons enjoying the confidence of the majority in Parliament, the prime minister in the cabinet being Judge P. E. Svinhufvud. The condition of anarchy prevailing in Russia and the Bolshevist doctrines spread therefrom, lamentably secured adherents rapidly also in Finland, the result being that already at the end of January 1918, a revolt broke out in Finland. The radical elements of the country, reinforced by the Russian Soviet Government and its land and naval forces, made an attempt to overthrow the form of government provided for in the constitution and to set up in its place a dictatorship of the proletariat. This attempt, however, was wholly unsuccessful, so that at the end of April 1918, the revolutionary movement was suppressed, and the Russian Bolshevik troops beaten and entirely driven out of the country. The Parliament of Finland was able to assemble again in May 1918. On May 18, 1918, the Parliament, acting in accordance with constitutional provisions of

1772 and 1789, elected as Regent, the Prime Minister, Judge P. E. Svinhufvud, who resigned on December 12, 1918, when General Gustaf Mannerheim was elected Regent in his stead. In view of the fact that great changes had occurred in the internal and foreign political affairs, the Regent Mannerheim deemed it advisable to order new parliamentary elections in order that the people of Finland be able to express themselves directly. The elections were held on March 1, 1919, and the new Parliament convened on April 4th. The most important task of the new Parliament was to provide a form of government adapted to the changed conditions of the country, which new form of government was adopted July 17, 1919. According to that form of government, Finland is a constitutional republic, the highest executive officer of which is a president elected for a period of six years. According to the constitution, the first president was elected by Parliament, but subsequent elections will be by electors chosen directly by the people. On the 25th of July, Parliament elected as the first president of Finland, Dr. K. J. Ståhlberg, a professor in the University, who immediately assumed the duties of president.

By the above account, the undersigned hopes to have shown that the existing form of government, established on democratic principles, is really an expression of the will of the Finnish people, and that the government established in accordance with the constitution is, therefore, the lawful government of Finland, a government *de jure*.

I have [etc.] A. H. SAASTAMOINEN

860d.01/53

The Secretary of State to the Finnish Minister (Saastamoinen)[10]

WASHINGTON, *January 12, 1920.*

SIR: I have the honor to acknowledge the receipt of your note No. 1321, of December 20, 1919, referring to the note addressed by me in Paris May 7, 1919, to the Foreign Minister of Finland, Dr. Rudolf Holsti, advising him of the recognition by the United States of the independence of Finland, and to inform you that, as complete diplomatic relations have been established, the Government of the United States desires to have a Legation at Helsingfors at the earliest practicable date.

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[10] Addressed to him as "Minister of Finland." The note was repeated to the Commissioner at Helsingfors in a telegram beginning: "The following note addressed today to the Finnish Minister at Washington is repeated for your information. This is considered to constitute full recognition of Finland as from May 7, 1919."

I have accordingly directed Mr. Alexander Magruder, of the Diplomatic Service of the United States, to proceed to Helsingfors with all convenient speed and have provided him with a letter accrediting him to the Minister of Foreign Affairs of the Government of Finland as Chargé d'Affaires *ad interim*.[11]

Accept [etc.] ROBERT LANSING

123M272/67a : Telegram

The Secretary of State to the Ambassador in Spain (Willard)

WASHINGTON, *January 12, 1920, 2 p.m.*

3. Magruder has been ordered to assume the duties of Chargé d'Affaires *ad interim* at Helsingfors until the arrival of a Minister. A letter accrediting him to Minister for Foreign Affairs is being mailed to Madrid.[11] He should remain in Madrid until Caffery has become familiar with the Embassy, but not later than February 10.[12] Request him to notify Department by cable concerning the clerical and stenographic force which he will require for the establishment of the Legation.

LANSING

123M272/78a : Telegram

The Acting Secretary of State to the Minister in Sweden (Morris)

[Extract]

WASHINGTON, *March 12, 1920, 5 p.m.*

35. For Magruder.

Congress having, by an Act approved March 6, 1920, authorized the establishment of a Legation of the United States in the Republic of Finland, you are hereby assigned to Helsingfors and will at once proceed to your post, assuming charge thereof in the capacity of Chargé d'Affaires *pro tempore*, pending the appointment and arrival of a Minister.

Upon your arrival at Helsingfors, you will inform the Minister of Foreign Affairs of your arrival in the capital and of your character.

. . . . . .

POLK

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[11] No file copy has been found.

[12] In a telegram of Jan. 27, the Ambassador reported: "Magruder left for London last night *en-route* to Helsingfors. He will report at Embassy London for possible instructions." In a telegram of Feb. 17, addressed to Magruder at London, he was directed to "proceed Stockholm and await further instructions." (File Nos. 123M272/71, 75.)

FRANCE

AGREEMENT WITH THE UNITED STATES MODIFYING THE PROVISIONS OF ARTICLE VII OF THE CONVENTION OF NAVIGATION AND COMMERCE OF JUNE 24, 1822 [1]

651.0031/13

The French Chargé (Chambrun) to the Acting Secretary of State

[Translation]

WASHINGTON, *March 9, 1919.*

MR. SECRETARY OF STATE: In view of the new conditions which must necessarily grow out of the war with respect to international economic relations and in order to secure full freedom of action in negotiating future agreements, the Government of the Republic has decided to denounce the Commerce and Navigation treaties by which France is bound with the Allied and Associated Powers as well as with the neutral countries.

I need not say to Your Excellency that this measure of a general character is in no wise prompted by a spirit of mistrust or exclusivism. France is not in the least seeking isolation or self-centering. She wishes, on the contrary, to be free to shape the mode of her foreign relations so as to suit them to the development she wishes them to take, while harmonizing them with the experience gained in the war and the new conditions created by it.

The existing regime must in any event stand until a new regime can be substituted, so there is no fear of any interruption in the intimate relations that bind France to the United States.

That is the spirit which pervades the instructions I have received from the Government of the Republic to give to the Federal Government notice of the termination of the Convention of Navigation and Commerce, concluded between France and the United States on June 24, 1822.

Under my Government's instruction the notice is to bear date of this tenth day of March 1919, so as to become operative, six months' notice being the time stipulated by the Convention, on September

[1] For text of convention, see Hunter Miller (ed.), *Treaties and Other International Acts of the United States of America*, vol. 3, pp. 77 ff. For correspondence relating to the abrogation of art. VI, see *Foreign Relations*, 1916, pp. 39 ff.; no reply to the Department's note of Apr. 12, 1916 (*ibid.*, p. 40), was ever received.

10, 1919, on which day all the Commerce and Navigation treaties signed by France will mature.

On and after that date, the denounced Convention may be extended for periods of three months by tacit renewal until the new instrument which is to supersede it shall have been perfected and put into effect. I deem it proper to add that an extension of this character has been accepted by all the Powers to which the Government of the Republic has had to give similar notice of termination.

I should be thankful to Your Excellency if you would kindly acknowledge receipt of this communication.

Be pleased [etc.] CHARLES DE CHAMBRUN

651.0031/13

The Acting Secretary of State to the French Chargé (Chambrun)

WASHINGTON, *March 25, 1919.*

SIR: I have the honor to acknowledge the receipt of your note of March 9, 1919, in which you refer to the decision of the Government of the French Republic to denounce the Commerce and Navigation treaties which exist between France and the Allied and Associated Powers as well as between France and the neutral countries, and state that this measure of a general character is in nowise prompted by a spirit of mistrust or exclusivism and not because France is seeking isolation, but, on the contrary, because she desires to be free to shape the mode of her foreign relations so as to suit them to the development that she wishes them to take, while harmonizing them with the experience gained in the war and with the new conditions created by it. You also state that this spirit pervades the instructions that you have received from your Government to give to the Government of the United States notice of the termination of the Convention of Navigation and Commerce concluded between France and the United States on June 24, 1822, and that under your Government's instructions "the notice is to bear date of this tenth day of March 1919, so as to become operative, six months' notice being the time stipulated by the Convention, on September 10, 1919."

In acknowledging the French Government's notice of denunciation as of March 10, 1919 of the treaty of June 24, 1822, I have the honor to inform you that the Government of the United States is not in a position to agree to the proposal of that Government contained in your note that on and after September 10, 1919, the life of the Convention be extended for periods of three months by tacit renewal until the new instrument, which is to supersede it, shall have been put into effect.

The postponement of the termination of the treaty in the manner suggested would, in effect, amount to continuing the treaty indefinitely, subject to termination upon three months' notice by either party, whereas by Article VII it is provided that the treaty may be terminated after its original term by the declaration of one of the parties of its intention to renounce it, made at least six months before hand. The suggestion of the French Government amounts, therefore, in my opinion, to a proposal to modify the terms of a provision of the treaty, a proposal which is not susceptible of execution on the part of the Government of the United States in the manner suggested, since there is no provision in the laws of the United States for making it so operative.

In the circumstances, therefore, the Government of the United States has no other course to pursue than to regard the French note of March 9, 1919, as notice given in accordance with Article VII of the treaty of June 24, 1822, for the definite termination of that treaty on September 10 next, without temporary renewals from time to time by the High Contracting Parties. The United States, however, will be pleased to entertain any further proposal which the French Government may wish to present regarding the continuance of the treaty mentioned until the conclusion of a new convention on commerce and navigation.

Accept [etc.] WILLIAM PHILLIPS

651.0031/13

The Acting Secretary of State to the French Chargé (Chambrun)

WASHINGTON, *April 29, 1919.*

MY DEAR MR. CHARGÉ D'AFFAIRES: Referring to the Department's note of March 25, 1919, in regard to the proposal of your Government to terminate the treaty between the United States and France of June 24, 1822, and to your conference with the Solicitor for the Department on April 23, 1919, as to some method whereby the Treaty of 1822 might be terminated upon shorter notice than six months, as required by Article 7, I would suggest for your consideration the conclusion of a brief Treaty modifying Article 7, so that the Treaty of 1822 might be terminated upon three months notice. To this end, I enclose a rough draft of a Treaty making the modification mentioned in Article 7, of the Treaty of 1822.[2] As requested by you, I also enclose copies of a Treaty with The Netherlands of May 9, 1914,[3] extending the duration of the Arbitration Convention

[2] Draft not printed; its provisions are identical with those of the final text, p. 232.

[3] *Foreign Relations*, 1915, p. 1099.

of May 2, 1908; of the Treaty with Italy of February 25, 1913,[4] amending Article 3 of the Treaty of Commerce and Navigation of February 6 [*26*], 1871.

I am [etc.] FRANK L. POLK

651.0031/17

The French Chargé (Chambrun) to the Acting Secretary of State

[Translation]

WASHINGTON, *June 19, 1919.*

MR. SECRETARY OF STATE: I had the honor on March 9 last to give notice to Your Excellency of the termination of the Treaty of Commerce and Navigation between France and the United States, concluded June 24, 1822, and added that the Government of the Republic would wish that treaty to be extended for periods of three months by tacit renewal until the new agreement, that is to supersede it, shall have been put into effect.

In your acknowledgment of that communication, Your Excellency was pleased to inform me that in the State Department's opinion, the extension of this treaty in the manner suggested would amount to continuing the treaty indefinitely, subject to termination upon three months' notice and thus modify the terms of one of the provisions of the treaty, namely Article 7, which stipulates that the treaty will terminate when one of the contracting parties shall have notified the other at least six months beforehand, of its intention to renounce it.

In order to overcome that difficulty and so as to extend the present treaty in accordance with the wishes of both Governments, Your Excellency was pleased to recommend, in your note of April 29, the signing of a brief treaty, modifying Article 7, as the best method to arrive at the desired result. In the new wording the sentence "which declaration shall be made at least six months beforehand" would be changed to "which declaration shall be made at least three months beforehand".

The Government of the Republic, to which I did not fail to refer that proposition, conformable to the precedents of 1913 and 1914 when the Federal Government had to extend the Commercial Treaty with Italy and the Arbitration Treaty with the Netherlands, wishes me to say that it is entirely disposed to adopt it.

I should therefore be thankful to Your Excellency if you would kindly cause to be drawn up at the State Department an instrument modifying Article 7 of the Convention of 1822 which might

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[4] *Ibid.*, 1913, p. 611.

be signed by the Ambassador of France on his early return to the United States.

To that end I have the honor to append hereto the French translation [5] of the draft enclosed in the afore-mentioned note of April 29, wherein Mr. Jusserand's name has been substituted for mine.

Be pleased [etc.] CHARLES DE CHAMBRUN

Treaty Series No. 650

Agreement between the United States of America and France, Signed at Washington, July 17, 1919 [6]

The Government of the United States of America and the Government of the French Republic, being desirous of modifying the provisions of Article VII of the Convention of Navigation and Commerce concluded between them on June 24, 1822, have authorized the undersigned, to wit:

The Honorable Frank L. Polk, Acting Secretary of State of the United States, and

His Excellency Mr. J. J. Jusserand, Grand Officer of the National Order of the Legion of Honor, Ambassador of France at Washington,

To conclude the following Agreement:

ARTICLE I

It is agreed between the High Contracting Parties that Article VII, of the Convention of Navigation and Commerce, concluded between the Government of the United States and the Government of France on June 24, 1822, shall be modified and replaced by the following:

"The present temporary Convention shall be in force for two years from the first day of October next, and even after the expiration of that term, until the conclusion of a definitive treaty, or until one of the parties shall have declared its intention to renounce it; which declaration shall be made at least three months before hand. And in case the present arrangement should remain without such declaration of its discontinuance by either party, the extra duties specified in the 1st and 2d articles, shall, from the expiration of the said two years, be, on both sides, diminished by one-fourth of their whole amount, and, afterwards by one-fourth of the said amount from year to year, so long as neither party shall have declared the intention of renouncing it as above stated."

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[5] Not printed.

[6] In English and French; French text not printed. Ratification advised by the Senate, Aug. 8, 1919; ratified by the President, Dec. 8, 1920; ratified by France, Aug. 31, 1919; ratifications exchanged at Washington, Jan. 10, 1921; proclaimed, Jan. 12, 1921.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof, and by the President of the French Republic, and shall become effective upon the exchange of ratifications which shall take place at Washington as soon as possible.

Done in duplicate at Washington in the English and French languages this 17th day of July one thousand nine hundred and nineteen.

[SEAL] FRANK L. POLK
[SEAL] JUSSERAND

GERMANY

REOPENING OF TRADE, JULY 14, 1919

763.72119/5427a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *June 24, 1919, 5 p.m.*

2404. For Secretary Lansing.

I should be very grateful if you could advise me what steps should be taken after the signature of Peace towards the resumption of official relations with enemy countries. Shall the Department await confirmation of the Treaty by the Senate before sending in Consular representatives? If other Allied nations confirm the Treaty without delay and send in their Consuls, must we await final action by the Senate even though there may be considerable delay? Are you contemplating a resumption of commercial relations at an early date with the idea that the resumption of Diplomatic relations shall await the ratification of the Treaty? If Consuls are to be sent before ratification of Treaty by the Senate, do you feel that there is objection to returning those formerly in enemy countries?

POLK

763.72119/5509 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 2, 1919, 9 p.m.*
[*Received July 2, 7.19 p.m.*]

2932. Department's 2404, June 24th, 5 p.m. Establishment of regular consular relations must await the ratification of the treaty. The appointment of consular representatives, even unofficial, in advance of ratification should be avoided unless by reason of an excessive delay it distinctly appears that the omission to appoint such officials is having a detrimental effect on our commerce. A few weeks' postponement of opening of trade relations, even if other countries thereby obtain a slight initial advantage, can hardly have permanent consequences.

The appointment of commissioners or agents to act however [unofficially] in a diplomatic capacity, with especial reference to commercial matters seems equally or even more undesirable at the present moment and might give rise to embarrassing criticism. For purposes

of information and informal communication Dyar mission, which is still at Berne [*Berlin*] and can send cipher telegrams, is entirely adequate. Lansing.

AMERICAN MISSION

763.72119/5509 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *July 3, 1919, 8 p.m.*

2499. For the Secretary of State.

Your 2925 [1] and 2932 July 2. Department regards these two telegrams as bearing on the general subject of trade between the United States and Germany. There is tremendous pressure on the Department for definite information as to when and by what means trade relations with Germany may be reestablished. It is the unanimous opinion here that if the Allied countries are allowed to facilitate trade with Germany by sending consular officers or other commercial representatives into Germany in advance of the United States even if only for a few weeks, advantages would be gained by them which it would be very difficult to overcome. In view of this as definite answers as possible to the following questions are requested: (1) If the ratification of the peace treaty is delayed by Senate action when will it go into effect as to other signatories. (2) If Germany and three of the principal Allied Powers ratify the Peace Treaty will those Allied Powers be able to open trade with Germany and to send consuls and official or private trade representatives. (3) If so, is there no means by which American traders may have access to Germany pending ratification by the United States. (4) Is it to be understood from your telegram that the Department may exercise discretion in respect to the appointment of consular representatives, even unofficial, to Germany pending ratification by the United States. The Department has no thought of allowing Germans, except interns, to return to Germany, but is greatly interested in having definite advice upon the foregoing points to be used in answering numerous inquiries from all quarters. In view of the feeling here, as I interpret it, I fear that if the United States is unable to open trade with Germany pending ratification of the treaty by the Senate, the administration will be charged with postponing commercial intercourse with Germany in order to influence ratification of the treaty, since the ratifying powers will have begun trade with Germany and Germany will as a practical matter be at peace with the United States.

[1] Not printed.

In this relation please see telegram 289[2] from Edwards,[3] The Hague, to McCormick,[4] which I am repeating to you and which indicates that the British and French are not even awaiting ratification before resuming trade relations with Germany. If the practice described in that telegram should become generally known here, I cannot but think that the effect would not only be unfortunate for the Department but might well create an embarrassing irritation toward Great Britain and France unless the U.S. shall insist upon like privileges for its own citizens.

PHILLIPS

662.1115/15 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 9, 1919, 1 p.m.*
[*Received 9.50 p.m.*]

3037. [Department's] 2499, July 3rd, 8 p.m. Our views with reference to the resumption of commercial relations with Germany are as follows:

Mr. Clemenceau in the name of the Allied and Associated Powers has assured the Germans that upon their ratification of the Treaty of Peace the blockade would be lifted. This has been construed by the Supreme Economic Council, at meeting held June 30th, to mean that economic freedom would be restored to Germany, including freedom to export as well as import and the majority of the Supreme Economic Council, including American members, expressed the view that such resumption of economic freedom implied the abandonment of censors [*censorship*] as an international war measure. It nevertheless appears that for one reason or another the British and French will maintain a considerable amount of control. For instance, the British and French are apt to maintain censorship for national purposes as to prevent dissipation of credits and the introduction of counterfeit money. Also British and French assert necessity of continuing control after Germans ratify treaty to prevent direct settlement of debts with Germans in contravention "clearing house" system established by treaty. They also point out necessity of assuring a distribution of Germany's commodity [exports] so as to prevent Germany disabling herself from performing treaty clauses relative to coal, dye stuffs, etc. Even though, as is probable, the British and French will quietly push commercial relations, yet the attitude of

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[2] Not printed.
[3] Paul L. Edwards, Commercial Attaché and War Trade Board representative.
[4] Vance C. McCormick, Chairman of the War Trade Board.

these Governments will on the surface and to the [great] mass of Germans appear to involve a breach of faith.

So many promises made to Germany since the armistice have been nullified in fact, that it is important that the United States at least so act that Germany obtain something of substance conformable to Mr. Clemenceau's assurance above referred to.

It is thus our opinion that the reasons of a resumption of commercial relations with Germany upon Germany's ratification of the treaty are considerations of Germany's interest rather than our own. We do not feel that our own commercial relations [*interests*] would be seriously jeopardized by a brief delay or that they should materially influence our action.

On the other hand, it is recognized that there are reasons for the maintenance of certain restrictions until the Senate has ratified the treaty and that unless this is done the administration may be criticised for treating the treaty as an accomplished fact without awaiting the action of the Senate.

We suggest that the two points of view above referred to can best be reconciled through licensing trading with the enemy to the extent that this can be done by correspondence or by meeting with Germans outside of Germany, but that until the treaty is ratified by the Senate passports should not be issued to American business men to proceed into unoccupied Germany nor should any United States officials, such as consuls or commercial agents, be sent into Germany. This would leave Germany free to transact business in so far as she took the initiative but it would restrain initiative on the part of the United States.

With reference to the specific questions put by your 2499:

1. The treaty will go into effect as to ratifying powers as soon as the treaty has been ratified by Germany and by three of the principal Allied and Associated Powers.

2. If Germany and three of the principal Allied and Associated Powers ratify the peace treaty the ratifying Allied and Associated [Powers] will be able to open trade with Germany and to send consuls and official and private trade representatives.

3. The extent to which American traders may have access to Germany pending ratification by the United States depends on legislation and policy. Trade restrictions as an international measure cease upon Germany's ratification of the treaty, leaving each Allied and Associated Power free to act as it [sees fit]. Accordingly, for the United States the question depends on how far we can go pursuant to existing legislation and given a continuance in law of a state of war with Germany and second, upon the policy of resuming trade relations prior to ratification by the Senate. As above indicated we doubt the wisdom of fully

reestablishing commercial relations official and private until the treaty has been ratified by the Senate.

4. Our 2932, July 2, 9 p.m. also designed only [to suggest] that if there were serious delay in ratification by the Senate and which delay had been demonstrated to be detrimental to American interests the question might then be reconsidered as to whether or not further steps to reestablish trade relations should be taken irrespective of ratification.

Referring to the Department's 2506, July 5, 3 p.m.[5] with reference to the instructions to the French Chargé d'Affaires, it should not in our opinion be taken to imply that after ratification of the treaty by Germany the Allied and Associated Governments should adopt a uniform practice with reference to the resumption of commercial relations. As above indicated we understand that international control measures as such cease upon ratification by Germany, leaving each country after that date free to act as it sees fit. In the case of France, for instance, which has adopted the " clearing house " system for settlement of debt, restrictive measures may well be appropriate, which would not be appropriate for United States.

It is suggested that you discuss this cable fully with McCormick on his arrival. Lansing.

AMERICAN MISSION

763.72112/12314a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *July 11, 1919, 4 p.m.*

2546. Your [*our*] 2499 July 3, 8 p.m.

Department announced today that all restrictions in regard to trade with Germany would be immediately removed and blanket license given permitting such trade, an exception however being made in regard to dyes, potash and chemicals. The President is surprised at the suggestion that the British and French intend to maintain any control in the nature of restrictions. He was very positive that all the Allied Governments and the United States were committed to remove all restrictions as soon as Germany ratified and the continuation of restrictions would lay the Governments making the restrictions open to the charge of bad faith and would involve the honor of the United States, as this Government is a party to the treaty which assured free, unrestricted trade.

The President wished me to convey his views to you so his position could be made clear in case there was any attempt to continue restrictions.

POLK

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[5] Not printed.

War Trade Board Files

Notice Issued by the War Trade Board Section of the Department of State[6]

W.T.B.R. 802 WASHINGTON, *July 14, 1919.*

RESUMPTION OF TRADE WITH GERMANY

The War Trade Board Section of the Department of State announces that a General Enemy Trade License has been issued authorizing all persons in the United States, on and after July 14, 1919, to trade and communicate with persons residing in Germany and to trade and communicate with all persons with whom trade and communication is prohibited by the Trading with the Enemy Act; *subject, however*, to the following specific limitations and exceptions, to wit:

1. The above mentioned general license does not authorize the importation into the United States from Germany or elsewhere of dyes, dyestuffs, potash, drugs or chemicals which have been produced or manufactured in Germany.

2. The above mentioned general license does not modify or affect in any respect present restrictions against trade and communication between the United States and Hungary or that portion of Russia under the control of the Bolshevik authorities.

3. The above mentioned general license does not authorize trade with respect to any property which heretofore, pursuant to the provisions of the Trading with the Enemy Act as amended, has been reported to the Alien Property Custodian or should have been so reported to him, or any property which heretofore, pursuant to the provisions of said Act, the Alien Property Custodian has seized or has required to be conveyed, transferred, assigned, delivered or paid over to him.

Exports to and imports from Germany may take place under Special Export License RAC No. 77 and General Import License PBF No. 37 as announced in W.T.B.R. 803 and W.T.B.R. 804 respectively.[7]

763.72112/12315 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 15 [16?], 1919, 1 p.m.*
[Received July 16, 9.30 p.m.]

3166. Department's 2546, July 11, 4 p.m. We have carefully noted this cable and particularly the President's positive view that all the Allied Governments and the United States were committed

[6] The personnel and functions of the War Trade Board were transferred to the Department of State June 30, 1919.

[7] Documents referred to not printed.

to remove all trade restrictions as soon as Germany ratified the treaty, and that the continuation of restrictions would [lay] the government making the restrictions open to the charge of bad faith. We shall make every effort to ensure the adoption and application of this position and indeed have already had occasion to express ourselves to this effect at meetings of the Supreme Economic Council and of its sections. It would however be very much appreciated if the Department would advise us in considerable detail as to the character of the control which the Department's cable indicates is to be retained with respect to dyes, potash and chemicals. These commodities of course represent Germany's principal available exports and we have already been embarrassed by inquiries from the British and French as to the basis for the restrictions which they understand we are to maintain against the export from Germany to the United States of this important group of commodities. We are not here aware of any protective legislation by Congress upon which these restrictions can be based and can only assume that they depend upon war legislation enacted to render effective the blockade of Germany. If so it is difficult for us to differentiate these restrictions from those the abandonment of which we have been urging upon our associates in order to give effect to our understanding as to the obligation assumed toward Germany and which understanding seems to be confirmed by the President's statement in your cable.

You will therefore appreciate how greatly our position would be strengthened were we in a position to discuss our control of dyes, potash and chemicals with a full knowledge of the facts which would enable us to differentiate such control from that which the British and French desire to maintain and which superficially at least appears to be very similar in character. Dulles.

AMERICAN MISSION

763.72112/12315 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *July 25, 1919, 4 p.m.*

2632. Your 3166, July 15 [*16?*], 1 p.m. It was not intended in Department's 2546 July 11, 4 p.m. to mean that the United States was committed to remove all restrictions whatsoever upon trade between this country and Germany. The restrictions to whose removal we feel committed are those which may be properly termed "Blockade Restrictions" which are directed against Germany's general freedom of trade with all countries, but we do not understand that any assurance has been given which could be construed as a relinquishment of the right of any one of the Associated Govern-

ments to impose its own municipal limitations either upon the importation or exportation into or from this country of commodities, whose export or import it is desirable to control for purely domestic considerations. We are not restricting Germany's general freedom to trade in dyes, potash and chemicals, but merely controlling their import into the United States for purely domestic reasons. Therefore, we feel clearly that we are according to Germany economic freedom as to exports in the full sense of the Supreme Economic Council's interpretation of the assurance given to Germany by Mr. Clemenceau as stated in your 3037, July 9, 1 p.m. So long as we are fulfilling this assurance, it does not seem to us pertinent whether our municipal limitations exist by virtue of so-called "war legislation" or by what you term "protective legislation by Congress". There is now pending before Congress legislation similar to that already enacted by the British, which, for the purpose of protecting our dye industry, proposes to subject all importations of dyestuffs to a licensing system. In view of this legislation, the Department, under the authority of Section 11 of the Trading with the Enemy Act, will, for a short period, control the importation of German dyestuffs and permit the import of only those dyes which are urgently needed in this country.

The differentiation between our present control of dyes and the control measures desired to be maintained by the British and French is that the former constitutes merely an internal domestic regulation of the United States and does not affect Germany's general freedom of trade with other countries of the world, whereas the latter restrictions are understood by us to be directed against Germany's general freedom of trade with other countries and not to be purely municipal limitations of the countries imposing them. McCormick approves the foregoing.

LANSING

APPOINTMENT OF AN AMERICAN COMMISSIONER, NOVEMBER 4, 1919

124.62/62 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *October 1, 1919, 11 p.m.*
[*Received October 2, 7.50 a.m.*]

4472. For Phillips from Polk.

American Mission's 4328, September 23.[7] While sending of a military attaché or other military representatives to Berlin seems altogether inadvisable, I am of the opinion that the situation is such that the appointment of some American representatives at the

[7] Not printed.

present moment should be very seriously considered. As the appointment of a chargé or diplomatic agent appears to be impracticable a commissioner might be named who would have similar functions to those of Halstead [8] at Vienna. Such a commissioner would at the same time be able to perform among others the following important duties:

1. He could gradually pave the way, in cooperation with the Spanish Embassy, for the resumption of regular diplomatic relations.
2. He could unofficially make representations and aid in supplying pressure in cases of urgent importance as, for instance, German activities in the Baltic provinces.
3. He could give the present German Government support and encouragement when advisable.
4. By informal intercourse with members of the Government and other persons of knowledge and standing he could secure a more intimate insight into the political situation than is now being obtained.
5. He could organize a bureau for investigation of economic and financial conditions and for forwarding reports on these subjects to Washington.
6. He could exercise a salutary control over the very numerous commercial and other travelers of American nationality who are now entering Germany in large numbers and he could report on their activities.

I am convinced that our policy of continued and complete aloofness from the present German Government is unjustified now that our citizens are allowed to enter Germany in large numbers and that our Allies are straining every nerve to reestablish commercial relations. Owing to the great dependence of Germany on the United States for its necessities, present and future, and to the fact that we are still more trusted in Germany than any other nation we are in a position readily to establish points of [contact] which will aid in the rehabilitation of Germany and indirectly in that of the whole of Europe.

The present Government, though acknowledged to be weak even by its representatives here in France, has withstood many todays [*storms*] and the constant prophecies by superficial observers that it was tottering to its fall have not been fulfilled. The reactionaries on one side and the extreme radicals on the other are still threatening its existence but so far it has been able to maintain itself not by support from without but by help of a dormant public opinion which dreads the result of a swing of the pendulum in either direction and the almost inevitable chaos which would ensue. The test will undoubtedly come this winter when living conditions, principally from scarcity of coal, will be difficult and it may well be said that assistance,

[8] Albert Halstead, American Commissioner at Vienna; see vol. I, p. 188.

however indirect, which could be given by a competent American representative would have an exceedingly beneficial result in the direction of stabilization.

It is needless to add that the selection of such commissioner should be made with great care. He should be, so far as possible, unprejudiced in his sympathies, strict, of wide previous experience and generally familiar with political and economic problems. I shall be very glad to get your comments on these suggestions and if you approve of plan will, if you wish, endeavor to submit recommendations as to who is best qualified for the position. Polk.

AMERICAN MISSION

124.62/62 : Telegram

The Secretary of State to the Commission to Negotiate Peace

[Extract]

WASHINGTON, *October 3, 1919, 7 p.m.*

3337. Your 4472. For Polk from Phillips.

Department shares your view regarding the desirability of sending a commissioner to Berlin, . . .

LANSING

124.62/63a : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *October 8, 1919, 4 p.m.*

3374. Confidential for Polk.

Department and the British Embassy here have recently agreed through an exchange of notes [9] to open diplomatic intercourse at Berlin when the moment arrives through Chargé d'Affaires [*sic*] rather than by the immediate appointment of Ambassadors. I cannot think of any one in the service more suitable to act for us in this capacity than Ellis Dresel. If you agree, will you sound him on your own initiative and not at the Department's suggestion as to whether such a detail would be acceptable?

LANSING

124.62/64 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *November 4, 1919, 3 p.m.*

3662. Your 4806, October 24th, 9 p.m.[9]

Consul John Q. Wood, now Havre, has been instructed proceed via Paris to Coblenz, to be in charge and to take such steps as may

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[9] Not printed.

be necessary for protection American trade interests and supplying information to business men and to Department. Consuls Emil Sauer, now Copenhagen, and Francis R. Stewart, now Berne, have been directed join Wood at Coblenz to assist him. All have been directed to perform no ordinary consular functions unless otherwise instructed. It is requested that Consul Wood on his arrival in Paris, be given any additional instructions which you consider necessary for himself and the Consuls detailed to assist him.

LANSING

124.62/66 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *November 5, 1919, 4 p.m.*[11]

3676. Reference your 4816, October 25.[12]

Please communicate following to Dresel if you approve: "You will proceed to Berlin and assume the title of American Commissioner. It is not contemplated that you should have at present any official relations with the German Government. Spanish Embassy continues to handle the diplomatic affairs of this Government and Department merely desires to have an official representative at Berlin from whom it can receive information of interest and importance. While you will do for American citizens everything compatible with your present instructions, your chief mission consists in keeping Department and Mission at Paris fully informed of political and economic conditions in Germany, the present attitude of the German Government toward American citizens and institutions as well as toward naturalized citizens of German origin, the aspirations of foreign governments in Germany, the military, economic and financial situation, etc. It is highly important that you maintain friendly and intimate relations with the representatives of Allied Governments in Germany, bearing in mind that the rupture of diplomatic relations between the German Government and the United States still continues, and that you are not a diplomatic officer accredited to Germany. You will avoid all acts which might convey the idea that your presence or that of other American officials in Germany means a resumption of diplomatic relations."

LANSING

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[11] This telegram was originally dated Nov. 4, from which date Mr. Dresel's appointment is reckoned.

[12] Not printed.

124.62/80 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *November 29, 1919, 11 p.m.*
[*Received November 29, 9.47 p.m.*]

5487. In my opinion, with which other members of the Mission including Dresel agree, it is advisable that the commission to Germany should [not] start before the situation has cleared regarding the signing of the protocol. Dresel's departure at present moment would probably be misconstrued by the Allies and give rise to unfavorable comment. It would look as if we were trying to play a lone hand. Everything should be avoided at this juncture which might give the Germans the slightest encouragement in their policy of driving a wedge between the Allies.

On this account, I have directed Dresel to defer his departure for some days at least, or until an agreement has been reached with the Germans. I shall be very glad to get approval of this course at the earliest possible moment. Polk.

AMERICAN MISSION

123W85/171 : Telegram

The Secretary of State to the Commission to Negotiate Peace [13]

WASHINGTON, *December 13, 1919, 2 p.m.*

Mission's 5478, November 29, 6 p.m.

For Wood. You are assigned to Mr. Dresel's mission. Upon his departure for Berlin you may in his discretion proceed Munich unofficially and temporarily for observation purposes. You should not however establish consular office.

Same for Stewart changing Munich to Hamburg.[14]

LANSING

124.62/80 : Telegram

The Secretary of State to the Ambassador in France (Wallace)

WASHINGTON, *December 15, 1919, 4 p.m.*

9343. Department's 9263.[15]

Since need for American Commissioner in Berlin is of extreme importance Dresel should leave immediately on signature of protocol

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[13] Sent via the Embassy at Paris as No. 9331.

[14] By telegram No. 3876, Nov. 24, 3 p.m., to the Commission, the suggestion that Consul Sauer be stationed at Cologne was approved (File No. 123W85/168).

[15] Not printed.

by Germans and Department should be informed of exact date of departure. If it appears to you wise considering all circumstances for him to leave at an earlier date explain facts to Department in order that proper instructions may be cabled.

LANSING

124.62/90 : Telegram

The Secretary of State to the Ambassador in France (Wallace)

WASHINGTON, *January 2, 1920, 6 p.m.*

8. For Dresel from Polk.

Embassy's 2, January 1.[15] Unless there is some objection Department does not know there is no reason now why you should not go to Berlin as soon as ratifications are deposited and protocol signed. I should judge that the British and French could make no objection to your then going. I have felt that in view of the fact we had not ratified and were taking such a little part in the proceedings we should do what we could not to unnecessarily irritate them. Cable Department when you are ready to go.

LANSING

124.62/92 : Telegram

The Ambassador in France (Wallace) to the Secretary of State

PARIS, *January 13, 1920, noon.*
[*Received January 14, 2.32 a.m.*]

123. Department's 8 January 2, 6 p.m. Dresel will leave here Wednesday evening [January] 14 with Dulles and three clerks. Dolbeare and Foster are proceeding direct from Rotterdam. Dresel and Dulles will stop over in Coblenz and reach Berlin Saturday morning.

WALLACE

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[15] Not printed.

GREAT BRITAIN

VISIT OF THE PRINCE OF WALES TO THE UNITED STATES

033.4111/55 : Telegram

The Ambassador in Great Britain (Davis) to the Acting Secretary of State

LONDON, *May 26, 1919, 3 p.m.*
[*Received May 26, 2.07 p.m.*]

2130. I am today telegraphing Mr. Lansing in Paris as follows:

"In view of the approaching visit of the Prince of Wales to Canada in August, I earnestly suggest that official invitation be extended to him to visit the United States. The sooner this is done the better the effect."

DAVIS

033.4111/66 : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *June 30, 1919, 6 p.m.*

5591. Department has received telegram from Secretary of State [1] to the effect that both the President and he feel that no further delay should occur in extending an invitation to the Prince of Wales to visit the United States and that you have been so advised. Accordingly, I have today sent for the British Chargé d'Affaires and on behalf of the Government have extended a cordial invitation to the Prince to visit the United States. The Chargé d'Affaires assured me that he would report the matter to his Government by cable.

PHILLIPS

033.4111/68 : Telegram

The Ambassador in Great Britain (Davis) to the Acting Secretary of State

LONDON, *July 3, 1919, 1 p.m.*
[*Received 1.55 p.m.*]

2456. Having learned the Prince of Wales expected a formal and official call from me with reference to the invitation to America, I

[1] Not printed.

have called on him this morning and presented verbally and in writing a formal invitation in the name of the President. Up to last night the communication from the British Embassy had not been received by the Foreign Office. The Prince accepts gladly but thinks that according to the present plans he will not be able to come until October and probably only to Washington.

DAVIS

033.4111/80 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *July 24, 1919, 2 p.m.*
[*Received 4.17 p.m.*]

2612. In matter of visit of Prince of Wales, referring to my number 2456 July 3, 1 p.m., the written invitation which I delivered to him on July 3 was in the following language.

"I am directed by the President to extend to Your Royal Highness a most cordial and pressing invitation to visit the United States as the guest of the nation upon the occasion of your approaching visit to the Dominion of Canada. The President wishes me to add that Your Royal Highness may be assured of a warm welcome from the people of America and that he is moved to extend this invitation, not [only] occasioned by regard for the person of Your Royal Highness, but by the conviction that such a visit could not but further the friendly relations of Great Britain and America now prevailing in so happy and marked a degree."

I am just in receipt of formal reply from Lord Curzon as follows:

"I am desired by His Majesty the King to say that he has received with especial gratification the invitation which you have conveyed to his eldest son the Prince of Wales from the President of the United States America to visit that country as the guest of the American Government on the occasion of his forthcoming visit to the Dominion of Canada.

It gives the King the greatest pleasure to accept this invitation for the Prince of Wales both on personal grounds and as a mark of the intimate relations that so happily exist between the American and British peoples, drawn ever more closely together by the imperishable memories of comradeship in the recent war.

The King would propose that at the close of his Canadian tour the Prince of Wales on his return from the West should accept the hospitality of the United States Government for a few days at Washington and that from there he should proceed for a further brief visit to New York before embarking at that port on his homeward journey.

At New York the Prince of Wales while the guest of the American Government ashore will live on board His Majesty's Ship *Renown* in the harbor.

The Prince of Wales looks forward to these arrangements if they are agreeable to your Government with the keenest anticipation.

To which I have responded as follows.

"I am much gratified by the receipt of Your Lordship's communication informing me that His Majesty the King accepts for the Prince of Wales the invitation to visit the United States of America which the President directed me to convey. I shall lose no time in communicating to my Government the contents of your letter and I can assure you that the visit of the Prince of Wales is eagerly anticipated and that my Government will have the greatest satisfaction in conforming to any arrangements which may suit his pleasure. I do not doubt for a moment that it will have the happiest effect in signalizing the cordial relations which now exist between the two countries."

In conversation with Lord Curzon I expressed the opinion that it would be inexpedient for the Prince to accept any private hospitality unless under direction of the Department of State. He agreed and said that the King was decidedly of this opinion. I understand that he will not reach the United States until the latter part of October.

DAVIS

033.4111/111 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 30, 1919, 6 p.m.*

5907. Your August 28, 5 p.m.[2] Perfectly agreeable to receive Prince of Wales after November 9.[3]

LANSING

033.4111/166b : Telegram

The Secretary of State to the Prince of Wales

WASHINGTON, *November 21, 1919.*

On the eve of your Royal Highness' departure from the United States permit me to express on behalf of this Government the satisfaction and pleasure which it has been to entertain as its guest so distinguished a representative of the British Empire, whose brief sojourn in this country has done so much to strengthen the friendship and good will of the two great English-speaking nations. We can

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[2] Not printed.

[3] The Prince arrived at Rouses Point, N.Y., at 8 p.m., Nov. 10, 1919, and proceeded to Washington. He arrived there at noon Nov. 11; called at the White House Nov. 11 and 13; visited Mount Vernon Nov. 13, and the U.S. Naval Academy at Annapolis, Md., Nov. 14; and left Washington at 10 p.m., Nov. 14. After three days' rest at White Sulphur Springs, W.Va., the Prince proceeded to New York City and arrived there at noon Nov. 18; visited the U.S. Military Academy at West Point, N.Y., Nov. 20; and departed from New York Nov. 22, 1919.

only hope that you will carry away with you memories of your visit as agreeable as those which you leave behind.

Please accept the assurances of my personal admiration and esteem and my hope that your homeward voyage may be pleasant and restful.

ROBERT LANSING

033.4111/167 : Telegram

The Prince of Wales to the Secretary of State

H.M.S. "RENOWN", *November 23, 1919.*
[*Received November 24, 9.18 a.m.*]

I am greatly touched by the kindness of your farewell telegram on behalf of the Government of the United States. This visit has been for me a delightful experience which I will never forget. I cannot thank the American nation and the American Government enough for the kindness and hospitality which has been shown me in such generous means wherever I have gone. I shall now always think of the people of this country as my friends and I shall look forward keenly to an opportunity of repeating my visit.

EDWARD P.

OIL CONCESSIONS IN PALESTINE AND MESOPOTAMIA

Inspection by British Military Authorities of Maps and Documents of the Standard Oil Co. at Jerusalem—Refusal of the British Government to Permit Work on Concessions in Occupied Territories—Representations by the American Government on Behalf of American Interests

467.11St25/32

The Standard Oil Co. of New York to the Acting Secretary of State

NEW YORK, *March 15, 1919.*
[*Received March 18.*]

SIR: May we respectfully present for your consideration, and for whatever action you may deem necessary in the circumstances, an incident of which we have recently been advised. We quote below from a letter addressed to us by Ismail H. El Housseini, written from Jerusalem under date of September 14th, 1918. The writer is an Arabian gentleman with whom we entered an agreement in May, 1914, to develop certain oil-bearing properties in Jerusalem, owned jointly by him and his partner, Suleiman Bey Nassif, an Armenian:

"On or about the 30th August, 1918, I was asked by an officer belonging to the staff of the Occupied Enemy Territories Administration to open to him your offices in order to see your plans which are connected with your claims in Palestine. I declined to entertain his

demand without the written consent of the representative of the American Consulate in this town and who is at present the Spanish Consul. On the following day the same officer handed me a written order from General Money, the Chief Administrator of the Occupied Enemy Territories, the contents of which are as follows:

"'AGENT OR REPRESENTATIVE,
Standard Oil Co., Jerusalem.

Please allow Lieut. Goodrick to inspect maps of concessions already allotted to Standard Oil Co.

(Sgd) A. W. MONEY, *Major Gen'l.*

Headquarters,
Economical Section,
O.E.T.A., Jerusalem. 3/8/18.'

"Being under Military Law, I had no alternative but to comply and accompanied by Suleiman Bey Nassif, my partner, and who is now here on a visit, we opened your office and permitted Lieut. Goodrick to see the plans and on his request we lent him three plans containing the first 18 claims (including the first 7 claims given over by us to your company). These papers have since been returned."

A former employ[ee] of our Company, an American, who has since visited Palestine, comments on the incident as follows:

"There is one thing that I can very plainly say, that is, that by every means possible British will prevent any American Petroleum Company from operating or producing in any territory which they may retain after the war. They did everything possible to find our claims in Palestine and finally when they were unsuccessful, they forced Ismail Bey to produce all the plans of the various claims, which they proceeded to copy."

In explanation of the agreement mentioned above, we beg to advise that it was made at Jerusalem, Palestine, on March 28, 1914, between Ismail Hakki Bey El-Husseiny Suleiman Nassif Bey, Charles Ayoub Bey and our Company and transferred to us seven mineral prospecting licenses granted to the three first mentioned parties on February 3, 1914, and confirmed by the Imperial Department of Commerce and Agriculture on March 26, 1914. The three holders of these licenses guaranteed that they were the exclusive holders of all the mining and mineral rights granted by these licenses. The transfer of these licenses was made to W. E. Bemis and Oscar Gunkel as Trustees for our Company by due process before the competent Ottoman Authorities in Jerusalem and Constantinople in May, 1914. These are the seven claims specifically referred to by Ismail Bey in his letter, and the balance of the eighteen claims shown on the plans cover properties for which our Company received mining licenses and permits direct from the Ottoman Government in 1914. The validity of all of these licenses has not been affected by our inability to develop them during the war, as

we were advised by our Constantinople office on March 12, 1915, that they had arranged to protect the licenses by making applications provided for in the mining laws, in addition to which we were advised that the Department of Mines had requested the Sublime Porte to approve the extension of the terms for all permits for one year after the war.

As the plans referred to are the property of an American firm, we feel that the action of the British authorities constitutes a very grave offense and we respectfully place the matter before you for consideration.

Assuring you of our appreciation of whatever action you may take in this connection, we have [etc.]

THE STANDARD OIL CO. OF NEW YORK
H. C. COLE

467.11St25/32

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

No. 120 WASHINGTON, *March 18, 1919.*

SIR: There is enclosed herewith a copy of a letter dated March 15, 1919, from the Standard Oil Company of New York reporting the action of the British military authorities in Jerusalem in sending an officer to the representative of the Standard Oil Company there to inspect certain maps of concessions to prospect for oil which were allotted to the Standard Oil Company prior to the outbreak of the war.

You are requested to report the action of the military authorities to the Foreign Office and to inquire the reason for which it was taken.

I am [etc.]

For the Acting Secretary of State:
WILLIAM PHILLIPS

867.6363/5: Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *May 21, 1919, 5 p.m.*

2043. Following cable sent at request of Requa, of Fuel Administration.

"American oil interests are seriously considering examination of Mesopotamia and Palestine with view of acquiring oil territory. Will such activities meet approval American Government and will conditions of peace treaty be such as to permit American companies to enter that region under terms of equality as compared with foreign

companies in their relations to their respective governments. It is important to know before beginning such examination that territory is not already all apportioned or so disposed of as to make acquisitions by American companies impossible. People having this matter under consideration are not connected in any way with Standard Oil group."

POLK

867.6363/6 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *June 5, 1919, 6 p.m.*
[*Received June 6, 1.05 a.m.*]

2429. Department's 2043 May 21st, 5 p.m. The present stage of negotiations about Turkey makes it impossible to give definite answer to questions asked by Requa of Fuel Administration. Department is informed that Captain W. Yale attached to Crane King commission [4] to Turkey is familiar with oil business conditions in Palestine and Mesopotamia. If requested, Captain Yale would probably investigate the matter of oil concessions and the possibility of acquisition by American oil interests.

AMERICAN MISSION

467.11St25/33

The Chargé in Great Britain (Wright) to the Acting Secretary of State

No. 843 LONDON, *June 5, 1919.*
[*Received June 28.*]

SIR: I have the honor to acknowledge the Department's instruction No. 120 of March 18, 1919, enclosing a copy of a letter, dated March 15, from the Standard Oil Company of New York reporting the action of the British military authorities in Jerusalem in sending an officer to the representative of the Standard Oil Company there to inspect certain maps of concessions to prospect for oil which were allotted to the above Company prior to the outbreak of the war.

In compliance with the Department's instructions, appropriate representations were made to the Foreign Office in this connection, and I now have the honor to transmit herewith a copy of a Note, No. 80443/M.E/44 of June 3rd, which has been received from the Foreign Office, . . .

[Here follows a summary of the enclosure.]

I have [etc.] J. BUTLER WRIGHT

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[4] Charles R. Crane and Henry C. King, constituting the American section of a projected international commission on mandates in Turkey.

[Enclosure]

The British Acting Secretary of State for Foreign Affairs (Curzon) to the American Chargé (Wright)

No. 80443/M.E/44 LONDON, *June 3, 1919.*

SIR: With further reference to the Note which the United States Ambassador was so good as to address to me on April 10th (No. 253) I have the honour to state that the enquiry to which His Excellency's note refers was conducted in order to ascertain in view of the very numerous claims which were being put forward, what concessions had in fact been granted by the Ottoman Government in Palestine. The offices of the Standard Oil Company in Jerusalem were only entered after proper application had been made to the Spanish Consul, who was at the time representing American interests. The Spanish Consul stated that in his books Ismael L. [*El*] Husseini and Suleiman Bey Nassif were not registered as holders of American rights. These gentlemen raised no objection to the investigation at the time and, in fact, offered to assist in every way. The information obtained has been treated as strictly confidential.

I trust that the above explanation will satisfy you that the action of the British Military authorities was in no way arbitrary nor designed to prejudice the Company's claims.

I have [etc.]

For Earl Curzon of Kedleston,
W. TYRRELL

467.11St25/33

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

No. 283 WASHINGTON, *July 7, 1919.*

SIR: The receipt is acknowledged of your despatch No. 843 of June 5, 1919, in response to the Department's instruction No. 120 of March 18, 1919, relative to the action of the British authorities in examining certain maps and papers of the Standard Oil Company in the custody of their representative at Jerusalem.

Due note has been taken of the explanation of the Foreign Office to the effect that these papers were examined only after proper application had been made to the Spanish Consul in charge of American interests, and that the information obtained has been treated as confidential.

You are requested to address a further note to the Foreign Office to inquire whether the Spanish Consul at Jerusalem assented to the examination by the British military authorities of documents belonging to an American company.

In connection with the observation that the action was taken to ascertain, in view of the very numerous claims which were being put forward, what concessions had actually been granted by the Ottoman Government, you are further requested to inquire whether any counter claims covering the concessions granted by the Ottoman Government to the Standard Oil Company or assigned to it by other persons have been made. The Department also desires to know whether holders of any concessions granted by the Ottoman Government have been permitted by the British military authorities in Palestine to operate them since the occupation of that territory by British forces.

I am [etc.]

For the Acting Secretary of State:
BRECKINRIDGE LONG

867.11St25/36a: Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *September 18, 1919, 7 p.m.*

3164. Standard Oil Company of New York fears that oil concessions in Palestine obtained and in process of consummation will be interfered with by British authorities. It is alleged that British authorities have obtained information of Standard Oil concessions by very doubtful methods. Explanation was requested through our Embassy at London but explanation given did not conform with the facts as reported by Captain William Yale. Concession rights have now been divided by British into three categories: concessions obtained and worked before the war; those obtained before the war but not worked; and those obtained during the war. Standard Oil representatives in Palestine report authorities there recommend strong action with British Foreign Office in light of efforts of Zionist interests to exclude outsiders and that British Commander in Chief states that action in the matter depends on instructions from Paris. Further advices from Standard Oil Palestine states that geographical survey has been forbidden and question referred to Foreign Office and also reported that British Foreign Office states they could not permit surveys or prospecting until mandate decided by Peace Conference, and further that no concessions in any territories not actually worked before the war would be recognized. Standard Oil comments on British activities in Mesopotamia under such a ruling. British seem vaguely to refer to some action of Peace Conference in regard to concessions in Palestine. Have you information in this regard? What is status of proposed sales of Ottoman Government property? Suggest advisability of watching such sales in this regard. We are considering sending note to British asking

for meaning application and operation of categories and taking as strong a position as possible in regard to rights of our nationals to concessions obtained or in process of consummation before or during the war and requesting the British on account of their position in Palestine to facilitate, if the opportunity offers itself, with the local or superior authorities the consummation of the concessions now in process of being obtained by American nationals. Mr. L. I. Thomas, Standard Oil representative is now in Paris and will give you the facts of the case. We would like any further information you have and your views in the matter.

PHILLIPS

467.11St25/37 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *September 29, 1919, noon.*
[*Received September 30, 9.20 p.m.*]

4435. Department's 3164 September 18th 1 [7] p.m. I have seen Mr. Thomas and have advised Ambassador Davis that he should endeavor to secure the removal of the British restrictions on the movements of the three American geologists now waiting at Jerusalem. Your proposed note affirming the rights of our nationals under concessions not worked but duly consummated after Turkey entered the war seems to me the right way of raising this question which should in my opinion be handled not through the Peace Conference but through the Ambassador in London. When however the Turkish treaty is drafted the validity of Ottoman concessions to foreigners may come up for [settlement]. We have no knowledge of any action by the Peace Conference regarding the Palestine concessions. Doctor Weizmann informs us that the Zionists are raising no objection in respect to such concessions. The Ottoman Government was notified on August 8 by the Supreme Council that no sales of Ottoman state property made since the armistice will be recognized. Polk.

AMERICAN MISSION

467.11St25/38 : Telegram

The Consul at Jerusalem (Glazebrook) to the Secretary of State

JERUSALEM, *September 30, 1919, 5 p.m.*
[*Received October 1, 11.40 a.m.*]

Your September 18th, 4 p.m.[5] Standard Oil Company has 64 concessions all in Province of Judea covering territory from Jaffa to Jericho to Korn Seltzer [*Khansirch?*], south east end of Dead Sea,

[5] Not printed.

and west to Gaza. Concessions in territory near the Mediterranean Sea are considered more valuable. Concessions may be put in four classes: 15 absolutely secured before the war; 4 in process of concession [*consummation?*]; 30 for which permission for research has been issued: the remainder properties for which memoranda has [*have*] been issued.

Standard Oil Company has spent $89,018 in securing and working concessions and has $125,218 worth material stored in Alexandria. Standard Oil Company representatives believe British will refuse concessions as they wish to control all economic values in this district. This cablegram has the approval of Standard Oil Company representative in Jerusalem.

GLAZEBROOK

467.11St25/42: Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *October 14, 1919, 3 p.m.*
[*Received 8.04 p.m.*]

3236. Department's mail instruction 316 July 22 last.[6] Following telegram sent to Ammission Paris, October 7th repeated for your information:

"Informal discussion at the Foreign Office yesterday at first available opportunity subsequent to my conversation with Thomas on the 18th [?] ultimo reveals the following to be the attitude of British Government regarding Standard Oil geologists at Jerusalem:

> So long as Palestine remains under British military administration pending decision as to a mandatory therefor or the creation of a separate state British Government feels bound to prohibit the activities of any explorers, commercial agents or concessionaries or the fulfillment of any concessions granted in that district by the former Turkish Government because without restrictions of this nature that country would be flooded with such persons of every nationality and confusion and embarrassment would result. It seems that during British military activities in Mesopotamia a shortage of oil necessitated the temporary operation by British engineers of certain old oil wells. The British military authorities were however in one instance so lax as to permit more extended operations to be undertaken for a short time by an English oil expert, upon the discovery of which by superior authorities he was compelled by them to cease operations and leave the country.

This is the attitude of the British Government at present notwithstanding continued and increasing pressure from several sources to which they have not as yet acceded."

DAVIS

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[6] Not printed.

467.11St25/41a : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *October 24, 1919, 5 p.m.*

6120. Referring your telegram of October 7th, 6 p.m., to the Mission, regarding the reply of the British Foreign Office to your endeavor to secure the removal of the restrictions on the movements of the Standard Oil geologists at Jerusalem.

1. It is understood you have full information as to the facts in the matter.

We feel on the information we have here that there has been interference, serious from the point of view of financial costs and future precedent, with the rights of American citizens properly given them by the Ottoman Government to consummate concessions. We are of the opinion that the British justification for the interference with the exercise of these rights furnish[es] insufficient excuse. As definite lists of the persons entitled to consummate concessions can probably be obtained from the Ottoman Government it is not clear that embarrassment and confusion would result sufficient to justify the British prohibition against the legitimate activities of the Standard Oil Representatives. We suggest that you bring the matter to the attention of the British Foreign Office again and informally communicate to them that the Department of State feels that the interference with the legitimate activities of American citizens in Palestine in relation to the consummation of concessions is a serious one, as stated above, and that the Department feels that it would be possible for the British authorities to make some arrangement, for all who had legitimate legal rights to continue their proper activities in this regard without resulting embarrassment and confusion. Also in connection therewith you are instructed to point out to the Foreign Office that the form of Mandate "A" applying to the Turkish possessions, has been agreed to in principle by the representatives of Great Britain and that thereunder a mandatory power undertakes to secure to citizens of all nationalities members of the League of Nations, equal protection and the same rights as regards the acquisition of immovable property, and to insure complete economic, commercial and industrial equality and freedom of transit, and that concessions will be granted by the mandatory government without distinction on the ground of nationality between citizens of states members of the League of Nations. And that further President Wilson in connection with decisions of the Council of Four in Paris took a definite stand that there should be in no case, priority of concessions to the nationals of the mandatory power, which point

of view was adhered to by Mr. Lloyd George and admitted by the French and Italian delegates. In short, that the Department of State feels that a future decision as to what power shall exercise a mandate over Palestine cannot in principle be held to affect the rights of American citizens to prosecute at present legal privileges to consummate concessions legally granted by the Ottoman Government: and in addition that the prosecution of such rights is fully in accord both with the principle stated by President Wilson and agreed to by Mr. Lloyd George and the provisions of Mandate "A", which though not yet in force, have been agreed to in principle by Great Britain.

PHILLIPS

467.11St25/44a : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *October 25, 1919, 6 p.m.*

6124. From information received from the Standard Oil Company in conference British Military Governors of Palestine early in September it was recommended that Standard Company be allowed to retain their seven original claims on the dead sea in as much as development started by building the roads. Shortly after written notice sent Standard Oil representatives in Palestine: "I am directed to inform you that permission cannot be granted for the resumption of your operations in Palestine until the Mandate has been decided. C. H. T. Cox, Lieut-Colonel Assistant Administration."

This written notice would seem to show connection of their theory of Mandate management with the matter of restraint on consummation of concessions. Advise, therefore, you emphasize effect of our view of Mandate principle in reference to present matter.

PHILLIPS

467.11St25/45a : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *October 30, 1919, 8 p.m.*

6138. The Department is informed by the Standard Oil Company of New York that its representative, Mr. Sheffield, has been sent to Bagdad to investigate petroleum conditions in Mesopotamia but is forbidden to operate by British authorities. Sheffield has reported that a geologist, probably employed by the Shell group, has been working in Mesopotamia for four months past. Please intimate to British Government that Department expects that representatives of private American concerns will be allowed equal privileges with those

of British or other nationalities in Mesopotamia as well as Palestine. Consul at Bagdad has been instructed to cable information regarding activities of any private or government agencies in Mesopotamian petroleum fields.

LANSING

467.11St25/47 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *November 22, 1919, 3 p.m.*
[*Received 5.03 p.m.*]

3432. In response to representations based on your telegraphic instructions 6138 October 30th, 8 p.m. Foreign Office advises that in its opinion

"the provisional character of the military occupation does not warrant the taking of decisions by the occupying [power] in matters concerning the future economic development of the country. Accordingly our policy has been to prohibit the initiation of any new undertakings or the exercise [by] concessionaires of rights which they may have acquired but not taken advantage of by [*before?*] the war.

This view has equally governed our attitude in regard to investigations and surveys which private individuals or firms may wish to [undertake in] occupied enemy territories and our action in prohibiting this class of operations has been further ruled by the principle that nothing should be done which might in any way compromise the future authorities of the country to whom we consider should be left the decision as to the methods and measures necessary to be adopted for insuring the development of the mineral resources of the territory which they will be called upon to administer.

We have also felt that to open the occupied territories to prospectors during temporary military tenure would be most undesirable as it would inevitably lead to a rush of speculators and others who under the guise of simple investigation would aim at securing definite and exclusive rights or openings [*options?*] from native landowners. Further, while a certain amount of freedom of communication with towns and ports in Mesopotamia and Palestine has been allowed in the interests of trade it would be quite incompatible with the conditions of war which still prevail in these countries that this freedom should be extended to individuals who desire to travel and carry out investigations in the interior."

Foreign Office further advises that a representative of the Shell group who visited Mesopotamia in the early part of the year without knowledge or consent of Foreign or India Offices was immediately recalled. Two members of his party were left to repair certain refineries at Quaiyara for the use of military and transport but will be recalled as soon as (they?) are no longer needed for that purpose. At least 11 applications have been refused from British firms and syn-

dicates for leave to investigate various parts of occupied territory. Foreign Office proposes to adhere unflinchingly to this policy so long as existing conditions prevail.

DAVIS

467.11St25/52

The Ambassador in Great Britain (Davis) to the Secretary of State

No. 1872 LONDON, *December 24, 1919.*
[*Received January 20, 1920.*]

SIR: With reference to your Instruction No. 283 of July 7th, 1919, regarding the action of the British Authorities in examining certain maps and papers of the Standard Oil Company in the custody of their representative at Jerusalem, I have the honor to transmit herewith copies of a Note No. 158558/M.E. 44A of December 13th, 1919, which I have received from the Foreign Office in response to my representations in the premises.

[Here follows a summary of the enclosure.]

I would add for your information that, upon the receipt of the Department's Instruction, I took up the matter with the Foreign Office at once, under date of July 30th, 1919. The reply of the British Government, which I now transmit, was deferred for some months, and the Foreign Office has accordingly expressed regret at the delay incurred in the connection.

I have [etc.] JOHN W. DAVIS

[Enclosure]

The British Secretary of State for Foreign Affairs (Curzon) to the American Ambassador (Davis)

No. 158558/M.E.44A. LONDON, *December 13, 1919.*

The Secretary of State for Foreign Affairs presents his compliments to the United States Ambassador, and has the honour to refer to the note No. 515 which Mr. Davis was good enough to address to him on the 30th July last requesting information (*a*) as to whether the Spanish Consul at Jerusalem assented to the examination by His Majesty's military authorities of certain documents belonging to the Standard Oil Company and in the custody of the Company's representatives at Jerusalem, (*b*) whether any counter claims covering the concessions granted by the Ottoman Government to the Standard Oil Company or assigned to them by other persons had been made, and (*c*) whether holders of concessions granted by the Ottoman Government had been permitted by His Majesty's military authorities in Palestine to operate them since the occupation of that country by His Majesty's military forces.

As a result of the investigations which have been made, it has been ascertained that in reply to an application for his assent to the examination of the documents belonging to the Standard Oil Company, the Spanish Consul at Jerusalem stated that his consent was not necessary as Ismail Husseini and Suleiman Bey Nassif were not under his jurisdiction.

In regard to the other two points Lord Curzon has the honour to state that no counter claims covering concessions granted by the Ottoman Government to the Standard Oil Company or assigned to them by other persons have been made, nor have holders of concessions granted by the Ottoman Government been permitted by His Majesty's military authorities in Palestine to conduct any operations since the Occupation.

Lord Curzon desires to express his regret at the delay in replying to Mr. Davis' note.

FISHERIES AND RELATED QUESTIONS (CANADA)

(See volume I, pages 219 ff.)

TREATY BETWEEN GREAT BRITAIN AND PERSIA, AUGUST 9, 1919

(See pages 703 ff.)

GUATEMALA

POLITICAL AFFAIRS

Development of Opposition to President Estrada Cabrera—Criticism of the Administration by Bishop Piñol; His Arrest, May 16, 1919—Representations of the United States in Behalf of Freedom of Speech—Release of Bishop Piñol, August 20—Organization of an Opposition "Unionist Party"

814.00/300

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

No. 754 GUATEMALA, *April 7, 1919.*
Strictly confidential [*Received April 21.*]

SIR: I have the honor to acknowledge the receipt of the Department's instruction number 294 [*unnumbered*], dated February 14, 1919,[1] stating that inasmuch as it appears that the health of President Manuel Estrada Cabrera is not good, the Department believes that a thorough study should be made of the conditions which are likely to exist in Guatemala upon his death. . . .

. . . . . .

Thus there exist in Guatemala two utterly conflicting elements: that of the present and contemplated future dictatorship—and that of an awakening people who demand emancipation from the intolerable burden of such a dictatorship.

It is but reasonable to foresee, then, that this latter element will attempt to achieve its aims at the first definite sign of the end of Estrada Cabrera's régime—and it is equally reasonable to assume that those whose fortunes depend upon the continuance of such a régime will violently oppose the change of system. I have already heard, in fact, that a group of the President's staff generals have formed a pact to support with their troops the man among them chosen by the President as his successor.

The inevitable result of such a situation will be civil war. The reality of the awakening I have just referred to is demonstrated by the accompanying Open Letters to President Cabrera, the first of which is signed by Señor Manuel Cobos Batres and the second by Bishop José Piñol y Batres.[2] Señor M. C. Batres, while not a prominent citizen, seems to have placed his signature to this letter more to encourage the people than to show any personal leader-

[1] Not printed. [2] Letters not printed.

ship—for by doing so he risks his life. Bishop Piñol is generally stated to be one of the highest type of Guatemalans in the country, and the most influential member of the Catholic Church. He has prepared a call to all Catholics in Guatemala to rally to the support of Mr. Cobos Batres proposals, and voice their approval by every pacific means within their power, a translation of which will be sent by the next pouch.[3]

While neither of these letters have, as yet, been submitted to President Cabrera, nor made public, I have every reason to believe they will be before the present Legislative Assembly adjourns, which will be about April 15th.

If so, and if President Cabrera attempts to suppress the activities of this embryo political party, a dangerous situation is very likely to arise; if they are not presented, the matter will be postponed but a short time.

. . . . . .

I have [etc.] WALTER C. THURSTON

814.00/301 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 5, 1919, 4 p.m.*
[*Received 8.43 p.m.*]

See my despatch number 754 dated April 7th. Bishop Pinol yesterday delivered address to abnormally large audience in the principal church, during which it is reported he said approximately following words:

"The United States fought the greatest war of the world from purely disinterested motives, striving only to destroy the evils of tyrannies. Let us hope our proximity to that great nation will result in amelioration our situation here."

Other similar addresses are announced for the near future. Will keep Department accurately informed.

THURSTON

814.00/302 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 12, 1919, 5 p.m.*
[*Received May 14, 12 p.m.*]

My May 5th, 4 p.m. Bishop Pinol delivered several addresses during the past week to large audiences. His discourses as reported to

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[3] Not printed.

me are even more severe than the text of his contemplated letter to President Cabrera which was transmitted to the Department as enclosure number 2 with my despatch number 754 of April 7th.

He has created much comment and on two occasions his audiences made loud demonstrations of approval as he left church. President Cabrera is said to be alarmed and after yesterday's speech to have called a secret meeting of the Cabinet for the purpose of devising means to check the bishop's activities.

The effect of Bishop Pinol's speeches on the general public seems to be very definite. The opinion is freely expressed that all his statements are undeniably and painfully true and that the present situation is politically, financially and morally disastrous. No reference to these addresses has been made in the daily press although one weekly sheet attacks the bishop.

While the situation is potentially dangerous there is no reason to fear developments of a serious character unless President Cabrera should take violent measures against the bishop and his supporters in which event resistance might be encountered.

The situation is being very carefully observed and the Department will be immediately informed of any developments.

THURSTON

814.00/303 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 17, 1919, 10 a.m.*
[*Received May 20, 8.45 p.m.*]

See my telegram of May 12, 3 [5] p.m. and May 5, 4 p.m. Last night and this morning groups of students and women called at the Legation reporting the arrest of Bishop Pinol and requesting the intervention of the Legation in his behalf because they fear he will be killed or brutally treated. They state that they appeal to the Legation because the United States stands for liberty and justice and is the only power to which President Cabrera will listen. In each case I have informed the petitioners that inasmuch as the bishop is a citizen of Guatemala the matter is one in which I can take no action. There is great indignation among the better classes and I have just [been] visited by more than a hundred women of the highest Guatemalan social element. I am advised other delegations will call during the day.

The newspapers have begun a series of obviously Government inspired attacks on the bishop, not disavowing any statements made by him, but seeking to discredit him personally.

I am maintaining strictly disinterested attitude since any indication of sympathy with the bishop or the reform movement advocated by him would be at once construed by the general public opinion which is [agreed] secretly, but almost unanimously, in acquitting the bishop, as indicating tacit official approval of any movement they might start.

I do not believe the President will risk injury [to] Pinol, but that he will most likely deport him. In that event, I anticipate no further agitation here since, with the exception of the women, the people are abjectly afraid of the President.

Please instruct me immediately regarding any action I should take in the matter and if I am to grant asylum at the Legation should it be requested by anyone persecuted by the President in conjunction with this present political agitation.

THURSTON

814.00/303 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *May 21, 1919, 2 p.m.*

Your May 17, 10 a.m. You may in your discretion say to President Cabrera that while this Government disclaims any interference with purely local political affairs in Guatemala, it cannot help but observe with the greatest interest and attention the actual practical observance or non-observance in a sister American Republic of the principles of true democracy, one of which is that of free speech, and cannot but deprecate harsh repressive and undemocratic measures in this respect.

POLK

814.00/305 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 24, 1919, 2 p.m.*
[*Received May 26, 4.36 a.m.*]

Department's May 21, 2 p.m. Feeling that President Cabrera might take even more severe steps in the Pinol matter than he already has, this morning I conveyed to him verbally the contents of the Department's instruction just referred to.

He replied that he appreciated the friendly spirit which animated the Government of the United States in this matter, and requested me to assure the Department that he has not disregarded, nor will he, any of the principles of true democracy.

He stated that Bishop Pinol will be tried by his ecclesiastical superiors for certain offenses and by the civil courts on the charge of rebellion and sedition, but that no drastic measures will be taken against him.

Feeling continues tense, but there are no indications of disturbances. It is reported that the women arrested for having visited the bishop are now released.

THURSTON

814.00/317 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *August 21, 1919, 7 p.m.*
[*Received August 25, 5.05 a.m.*]

Bishop Pinol released yesterday.

THURSTON

814.00/321 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *September 11, 1919, 9 a.m.*
[*Received September 12, 7 p.m.*]

Bishop Pinol left this morning for Puerto Barrios to take steamer to United States *en route* to Rome.

THURSTON

814.00/323 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *September 20, 1919, 10 a.m.*
[*Received September 23, 2.20 a.m.*]

Strictly confidential. Am advised by leaders thereof that the group referred to in my despatch number 744 [*754*] dated April 7th,[3] have nearly perfected their political organization. This group appears to be composed of the wealthy, educated class and of Catholics but profess no affiliation with old Conservative Party.

They state that Bishop Pinol is not going to Rome but that he will remain in the United States for the purpose of enlisting the support of Catholic Church and press there as against Cabrera. They further state the bishop will endeavor to confer with President Wilson and State Department. It appears to be the intention of this group eventually to openly oppose Cabrera and agitate for discontinuance of certain of the more oppressive dictatorial measures now effective.

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[3] *Ante*, p. 263.

In view of the persistency of this group their earnestness must be admitted and it is probable, therefore, that their plans will be carried out. I have reported thus lengthily by cable in view of the imminence of Pinol's arrival at Washington.

THURSTON

814.00/326

The Chargé in Guatemala (Thurston) to the Secretary of State

No. 870 GUATEMALA, *October 13, 1919.*
Confidential [*Received October 28.*]

SIR: I have the honor to refer to my cablegram dated September 20, 10 a.m. reporting the organization of a new political party in Guatemala.

I am now informed that this party is completely organized; that it is called "The Progressive Party of Guatemala", and that it will, under certain conditions begin its activities within a short time.

It appears that for some time past a number of important newspapers in the United States have been publishing articles similar to the one which I transmit herewith,[4] and although President Cabrera exerts every effort to prevent the introduction into this Republic of such matter, the news invariably reaches here and is widely circulated.

Implicit confidence in the accuracy of these reports appears to exist—and many Guatemalans have expressed their pleasure over the prospect of the termination of Cabrera's rule at the end of the present term.

That the commencement of the activities of the Progressive Party seems to be conditional upon confirmation of the reported attitude of the Government of the United States toward President Cabrera, or upon the receipt of assurances that members of the Party will be shielded from violence should they attempt to participate in the coming "elections" of Deputies to the National Assembly, is indicated by the following memorandum left at this Legation by one of the new party:

"The Progressive Party of Guatemala, based on the approval by Guatemala of the Treaty of Peace, and the League of Nations covenant, and the declaration made by the State Department of the United States of America to the Government of Guatemala, providing that the President of the Republic could not be a Candidate at the next elections and that honest and free elections will be held.

Judging that for the sake of our party, and for the result of the Presidential elections, the nominations of members of Congress to be held next December, is of the utmost and perhaps decisive importance on the final result of the Presidential campaign; our party

[4] Not printed.

asks from the American Government, if it can take an active part, for the elections of Congressmen, as a preparatory work of the presidential campaign and if the American Government would guarantee the compliance by the present Government, of the Laws of the Country, and the protection offered by the same laws to citizens who will take an active part in the campaign. Without this assurance it would be useless to attempt any work of this kind as all persons who would do so would immediately be imprisoned and tortured as has always been done. The laws of the country grant the freedom of speech and the press, and the Progressive Party of Guatemala asks the American Government if it can count on its support for the fulfillment of these rights".

It was stated by the person who presented the foregoing memorandum that in December one half of the present Legislative body surrender office, and are replaced, in theory, by popular election; that in actual practice President Cabrera selects the men he desires to be seated in the Assembly and on "election" day, leads the voters of each district, under guard, to the polls where they are instructed to vote for the President's candidate—who invariably is the sole candidate. The desire of the Progressive Party is to publish a newspaper and put forth suitable candidates for the Assembly, and endeavor to force free elections through giving publicity to any attempt to coerce the voters.

I have made no comment upon the matter.

I have [etc.] WALTER C. THURSTON

814.00/327: Telegram

The Chargé in Guatemala (Scotten) to the Secretary of State

GUATEMALA, *December 31, 1919, 8 p.m.*
[*Received January 2, 1920, 1 a.m.*]

5. Luis P. Aguirre, the head of a newly formed political party, called at the Legation this evening and handed me a printed pamphlet a translation of which follows. He was in a state of the greatest agitation and expressed considerable fear for his life when the activities of the new party shall become known. He stated that more copies of the pamphlet in question will be printed secretly tonight and distributed tomorrow and that telegrams would be sent tonight to the Presidents of the other Central American States. He claims that the party will operate under the law and is not to be considered as a revolutionary party. Translation follows.

UNIONIST PARTY

ACT OF ORGANIZATION

Considering that the centennial of the political emancipation of Central America is approaching and that it is a patriotic duty to

strive in order that upon that date the world may behold united the fatherland to which our ancestors brought us;

That this noble sentiment is burning in the hearts of all the good sons of the five Central American States;

That the second article of the Constitution in force at present authorizes the reassembling of such a great ideal;

[The] undersigned on our own behalf and on the behalf of those who have manifested to us their desire to see the same aspirations converted into acts

Have decided, using the right which the *Carta Fundamental* grants us in the twenty fifth number [*article*], to constitute ourselves in a political party with the following ends in view:

(1) To dedicate all our forces to obtain by pacific means and with the strictest obedience to the laws, the immediate but stable, just, popular revival of the ancient Central American Nation.

(2) To begin an active propaganda in order that the existing laws governing both the transcendental principles and the monetary system may be harmonized in the five republics; in order that free commerce may be agreed upon between them and that their means of communication may be bettered and multiplied; in order that past differences may be blotted out; and in order that everything possible may be done which may tend to bring about an approximation between peoples and their governments.

(3) To strive within the limits of established law in order that the carrying out of the laws and the accomplishments of the obligations which the republican and democratic form of government requires to be efficient both on the part of the authorities and the citizens may be effective and sincere, because the union would be impossible in any other manner.

The association will be named "Unionist Party".

Its acts will be public and not in favor of individuals but of ideals.

A newspaper, the organ of the party, will make known the labors which are undertaken, the agreements which are arrived at and the adhesions received.

Clubs which shall be a part of the association will be established in the Departmental capitals and the communities of importance.

These headquarters will place themselves in communication with similar ones which exist in Salvador, Honduras, Nicaragua and Costa Rica, in order to coordinate all the efforts which relate to the common ideal.

The Unionist Party invites all those citizens who love the country, without distinction of political opinions or religious creeds, to unite themselves with it and keep on in unison for the great cause.

Copies of the present act will be sent to the Minister of Gobernacion and Justice and to the International Central American Office.

The names of the organizing commission follow comprising 32 names.

SCOTTEN

FINANCIAL AFFAIRS

Proposals for Loans to Finance Currency Reform and for the Establishment of a National Bank—Suggestion by the United States Government of Study by an Expert—Project for an Issue of Additional Paper Money; Deferment on the Advice of the United States—Appointment of Professor Kemmerer to Study the Currency Problem; His Recommendations, September 6—Support of His Plan by the United States

810.00/a
14

The Minister in Guatemala (Leavell) to the Secretary of State

[Extract]

No. 506 GUATEMALA, *April 30, 1918.*
[*Received May 11.*]

SIR: I have the honor to transmit to the Department, in compliance with its circular mail instruction of May 28th, 1917,[5] the following brief report upon Guatemalan affairs:

. . . . . .

(2) The National Legislative Assembly, as a result of the discussion of a foreign loan, issued a decree (attached hereto, together with translation) authorizing the establishment of a National Bank in Guatemala City. Article four of this decree might be interpreted as authorization to open negotiations for a foreign loan.

. . . . . .

I have [etc.] WM. HAYNE LEAVELL

[Enclosure—Translation]

Legislative Decree No. 974, of April 12, 1918, Authorizing the Establishment of a National Bank

ARTICLE ONE: A privileged National Bank shall be established at the Capital of the Republic.

ARTICLE TWO: Said Bank shall have the following objects:

1. Develop agricultural credit.
2. Grant facilities for the reconstruction of the Capital and other towns damaged by the earthquakes, and,
3. Cooperate in the arranging of the other economic necessities of the Republic.

ARTICLE THREE: The Bank shall be constituted with the capital which it will obtain from the Government, and from the national and foreign capitalists through the shares they purchase (subscribe to).

[5] Not printed.

ARTICLE FOUR: The Executive is authorized to conduct here and abroad the necessary financial operations, and to dictate such orders as may be conducive to the accomplishment of this Law.

[Here follow the legislative and executive approvals.]

763.72113/950: Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *March 29, 1919, 6 p.m.*
[*Received March 31, 2.28 a.m.*]

Mr. Catlin[6] was received day before yesterday by President Cabrera who apparently is ready to enter into definite negotiations for sale of Empresa Electrica.

During this audience the President requested Mr. Catlin to obtain for him a loan of $10,000,000 to be devoted he stated to the establishment of a national bank. This measure will serve the double purpose, the President stated, of stabilizing exchange and emancipating Guatemala from domination by Germans and Jews.

Mr. Catlin desires to know if it is agreeable to the Department that he negotiate with the President for this loan and that he submit the proposal to his principals.

Such a loan appears to be inevitable and it would seem desirable that reputable American capitalists should negotiate it. If it is our intention to encourage the supplanting of present German owned undertakings here with American interests, it is almost imperative that economic conditions be remedied by some such means as this.

THURSTON

814.51/281: Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *April 7, 1919, 2 p.m.*

Referring to your telegram of March 29, 6 P.M. and 9 P.M.[7] Inform Catlin that in accordance with its usual policy the Government of the United States would give all proper diplomatic support to any legitimate enterprise of this character to which its citizens are parties if beneficial to Guatemala and its citizens.

PHILLIPS

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[6] Henry W. Catlin, of the Electric Bond & Share Co., New York. See the section dealing with enemy property, pp. 287 ff.

[7] Latter not printed.

814.51/285a: Telegram

The Acting Secretary of State to the Chargé in Guatemala
(Thurston)

WASHINGTON, *April 23, 1919, 6 p.m.*

Communicate the following to President Estrada Cabrera:

On September 27, 1917, the Special Mission of Guatemala requested a loan of $30,000,000 from the United States Government. Referring to efforts made by President Estrada Cabrera to reform the financial situation of Guatemala, the Commission stated that the one serious obstacle to the work of reform had been the high and constantly varying rate of exchange of the Guatemalan currency, which not only made commercial transactions very difficult, but also discouraged immigration and the introduction of the foreign capital which was indispensable to the development of the Republic's natural resources. The establishment of a monetary system based on a gold standard was shown to be absolutely necessary for the future prosperity of the Republic.

Although it was impossible for this Government to make such a loan, under the laws governing advances of money for war purposes, this Government nevertheless feels the keenest interest in assisting Guatemala in the solution of her financial and monetary problems. It believes that the reform of the currency, which in itself will do much to stabilize the financial situation of Guatemala and to encourage foreign commerce and the introduction of foreign capital, should be undertaken as soon as possible. A reform of this kind involves such very complicated technical questions, and at the same time such far-reaching social and economic considerations, that other countries under similar circumstances have found it necessary to call upon economists of world-wide reputation to study the condition of their currency and their special needs, in order to ensure that the reforms should be permanent and effective, and that the broader interests of the Government and of the people of the country concerned should not be injured by the change.

If Guatemala still desires the coöperation of the United States in establishing a currency based on a gold standard, this Government would be pleased to suggest the name of an expert to study the existing situation and to recommend the most desirable method of reform, and it would further be pleased to exert its good offices to enlist the assistance of American banking interests in putting the recommendations of the expert into effect. This Government feels that its coöperation in this manner would not only make possible the formulation of a sounder and more beneficial plan of reform, but would also greatly facilitate the obtaining of funds for the execution of the reform.

Confidential: The Department is not accurately informed regarding the extent of the activities of Mr. Catlin or his principals, or as to the activities of Ferla and his associates. Officials of the Department have conferred informally with Mr. Lionel Stahl, who has in preparation a tentative plan to establish a national bank. Certain features

of this plan do not meet with the Department's approval, but it is not felt that the Department is in a position to offer any definite recommendations as to just how the rehabilitation of Guatemala's finances should be undertaken owing to the lack of accurate information.

The suggestion that an expert be sent to report upon conditions in Guatemala is made because it is hoped that such a report would make possible the accomplishment of the monetary reforms Guatemala needs.

POLK

814.51/286 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *April 23, 1919, 5 p.m.*
[*Received April 24, 3.34 p.m.*]

National Legislative Assembly yesterday passed bill authorizing each bank to set aside 10,000,000 pesos of a new issue for a fund to be used in agricultural and building loans at 4 per cent. It now awaits presidential approval which will be given as the measure is of his own making. This means sixty millions additional in controvertible [*convertible*] paper.

THURSTON

814.51/286 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *May 3, 1919, 11 a.m.*

Your April 23, 5 p.m.

Additional issue of sixty millions paper will make ultimate reform of currency much more difficult and should be prevented if possible. It is left to your discretion to make such representations to President Estrada as you think most likely to dissuade him from signing bill in question, referring to interest which United States feels and has shown in establishing currency of Guatemala on a gold basis.

POLK

814.51/288 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 4, 1919, 3 p.m.*
[*Received May 6, 12.15 a.m.*]

Department's May 3rd, 11 a.m. President Cabrera signed decree relative to 60,000,000 pesos on April 25th, although this fact was not

made public until May 1st, when it was announced by the evening papers.

However, assuming that his reception of the message conveyed in the Department's cablegram of April 22nd [*23rd*], 6 p.m. (which was embodied in a note and handed to him by me on May 2nd) was sincere, President Cabrera probably can be persuaded to lay aside this decree until the financial requirements of Guatemala have been determined by an expert.

I expect to see the President during the course of the coming week.

THURSTON

814.51/287 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

[Extract]

GUATEMALA, *May 4, 1919, 5 p.m.*
[*Received May 6, 12.45 a.m.*]

Department's April 23rd, 6 p.m. . . .

Mr. Catlin has not entered deeply into the subject of the loan as he is endeavoring to make his services on that project conditional on acquisition electric company on favorable conditions.

THURSTON

814.51/289 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 7, 1919, 9 a.m.*
[*Received May 10, 1.30 a.m.*]

Referring to the Department's telegram of May 3, 11 a.m. and my May 4, 3 p.m. Yesterday afternoon President Cabrera informed me that the services of an able and recognized economist, who would thoroughly study the finances of Guatemala and submit to him a sound project of reform, would be gladly received and that a written statement to that effect will be sent to me tomorrow.

I then suggested that it might be advisable to await result of the investigation of this economist before placing an additional issue of paper money into circulation which might have the result of still further complicating the situation.

The President replied that while the urgent necessities of one bank here make it imperative that it be permitted to issue immediately several million pesos and that certain other needs are likewise urgent, only such new money will be issued for the present as is absolutely

necessary, and that the total issue during a period of several months probably will not exceed 10,000,000 pesos.

THURSTON

814.51/291 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 13, 1919, 8 a.m.*
[*Received May 14, midnight.*]

My May 12th, 1 p.m.[8] The Minister of Fomento presided over the meeting of bankers yesterday. It apparently is President Cabrera's intention to issue the 60,000,000 pesos, notwithstanding his contrary assurances to me. However, in view of the opposition by several of the banks yesterday the decree may be amended, thus delaying issuance of this money, although it is authoritatively stated that a reserve of 46,000,000 pesos now in the local customhouse and belonging to the various banks of issue may be immediately released.

At this meeting Senor Juan Lara, the manager of the semi-governmental Banco de Occidente is said to have made the following statement: "The President has always helped us. Now we must help him, for they are trying to force him to extend a foreign loan."

See my despatch number 763,[8] paragraph 3, and my despatch number 767,[8] paragraph 3. The opinion is unanimous among bankers here that a foreign loan is not desired by President Cabrera because he fears his present absolute control over financial affairs would be much weakened. On the other hand he is constantly encouraging his agents to have loan propositions submitted to him, five of such propositions being known to me apart from his request for a loan presented to the Department in September, 1917.

THURSTON

814.51/292 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 14, 1919, 10 a.m.*
[*Received May 15, 4.55 p.m.*]

Foreign Office formally notifies me the Guatemalan Government accepts with pleasure and sincere appreciation the kind offer of the Government of the United States to suggest the name of an economist who will study the existing situation and recommend the most

[8] Not printed.

desirable methods of reform, and to extend its good offices to enlist the assistance of American banking interests in effecting the reform.

THURSTON

814.51/294: Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 23, 1919, 2 p.m.*
[*Received May 25, 2.45 a.m.*]

See despatch number 506 dated April 30, 1918, enclosure number 1.[9]

A commission has just been appointed for the purpose of devising means whereby a national bank may be established.

I am reliably informed that the proposed issue of 60,000,000 pesos has been canceled and that only 10,000,000 will be given the Banco Americano.

In the opinion of bankers this renewal of interest in the national bank indicates tendency in favor of a foreign loan since it is not felt the necessary capital could be commanded locally for its establishment.

THURSTON

814.51/293: Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *June 5, 1919, 6 p.m.*

Your May 24, 3 p.m.[10] Inform President Estrada Cabrera Department believes that it is in a position to secure for Guatemala the services of Professor Kemmerer, an eminent currency expert in the United States, who has been employed in currency reforms by Governments of Mexico, Philippines, and British Straits Settlements. He can devote July, August, and most of September to this work. His services in making necessary investigations and recommendations will probably cost $5,000 plus allowance not exceeding $3,000 for secretary, clerical help, and other necessary expenses. In view of importance of securing best possible advice in a matter so vitally affecting Guatemala's economic life, Department believes that this expenditure is fully justified. Ascertain whether President desires this Government to offer Professor Kemmerer the position on this basis.

POLK

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[9] *Ante*, p. 271.

[10] Not printed.

814.51/297 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *June 11, 1919, 5 p.m.*
[*Received June 12, 11.13 p.m.*]

Department's June 5, 6 p.m. This afternoon President Cabrera requested me to inform the Department that he accepts with pleasure the appointment of Professor Kemmerer and that the salary arrangement and that regarding the time to be devoted to the work are satisfactory. He further stated that every assistance will be given Professor Kemmerer.

The Banco Americano has been given 6,000,000 pesos and expects 4,000,000 more. Four banks dominated by the Government have drawn up petition requesting issuance of the 60,000,000 under greatly modified version of decree number 1003. Nevertheless President Cabrera again assured me this afternoon this issue will be withheld

THURSTON

814.51/297 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *July 11, 1919, 4 p.m.*

Your June 11, 5 p.m.

Professor Kemmerer will sail July 12 from New Orleans on Steamer *Coppename*. Afford him all proper assistance in his investigations.

POLK

814.51/300 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *July 30, 1919, 6 p.m.*
[*Received August 1, 6 p.m.*]

Prof. Kemmerer and assistant arrived Guatemala July 20. He was immediately received by President Cabrera and now informs me his [progress] to date quite satisfactory.

THURSTON

814.51/319

Professor Edwin Walter Kemmerer to President Manuel Estrada Cabrera

GUATEMALA, *September 6, 1919.*[11]

HONORED SIR: Commissioned by you in June of this year to make a study of the present currency system of Guatemala and to report to you such reform measures as I might consider desirable, I have the honor to submit to you the accompanying report.

The report is necessarily largely limited to the broader phases of the subject. Details will need to be worked out as the reform work progresses, and in the light of the experience gained in that work. If the reform is undertaken and the Guatemalan Government so desires, the writer will be glad to render the Government any assistance in his power in working out further details.

During his two months residence in Guatemala the writer has received most hearty and painstaking cooperation on the part of government officials, bankers and business men. The number who have so cooperated is so large that it is impracticable to mention names. For the assistance rendered by all these gentlemen the writer wishes to express his hearty appreciation. The assistance rendered by three persons however has been so great and so continuous that the writer cannot refrain from specifically expressing his appreciation for their cooperation. They are His Excellency Señor Guillermo Aguirre, Minister of Hacienda and Public Credit; Señor Federico Sanchez de Tajada, Chief of the Protocol; and the writer's own secretary, Dr. John H. Williams, Assistant Professor of Economics in Princeton University, whose broad economic training and knowledge of Latin America have been invaluable to the writer in his work.

With appreciation, Mr. President, of your own most helpful cooperation, and of the many courtesies you have extended to me during my stay in Guatemala,

I am [etc.] E. W. KEMMERER

[11] A single copy of this report in English was in the hands of Department officials on or before Oct. 14, 1919; mimeographed copies were available in Jan., 1920. No publication, either in English or in Spanish, was made until early in 1921, when a Spanish translation was published serially in the *Diario de Centro-America* (File No. 814.51/326).

[Enclosure—Extract]

Report of Professor Kemmerer on Currency Reform in Guatemala

H. Summary of Conclusions

The principal conclusions of this Report may be briefly summarized as follows:

I. Among intelligent people interested in Guatemala, both citizens and foreigners, the demand is practically unanimous for a thoroughgoing currency reform that will give Guatemala a fixed gold standard.

II. The present unstable currency is a menace to Guatemala's healthy economic life and an obstacle to her economic progress. It is causing grave injustice to many classes in the community.

III. The present is an opportune time for currency reform, and a reform could probably be carried through today with less hardship than at any other recent date in Guatemala's economic history.

IV. Anything less than a thoroughgoing reform that would give Guatemala permanently a modern scientific currency system as good as the best should not be undertaken.

V. The monetary unit should be a gold unit consisting of 50 centigrams of pure gold, which, when coined, should be minted into coins .900 fine. It should be called an estrada in honor of Guatemala's president. With a coinage charge of .3 per cent this new unit would be equivalent to one third of a United States gold dollar. It would fix the gold value of the peso at a rate of 30 to 1.

VI. The new unit should be divided decimally into 10 pesos or 100 centimos, making the peso equal to 10 centimos. This would give the following table of equivalents:

E (estrada) 1^{00}	=	P (pesos) 10
P 1	=	10¢ (centimos)
\$ (U.S. dollar) 1^{00}	=	E 3^{00}

VII. Guatemala should provide for the coinage at some foreign mint of a small amount of Guatemalan gold coins.

VIII. The new Guatemalan gold coins, and United States gold coins at the rate of E 3 to \$1, should be unlimited legal tender in Guatemala.

IX. Guatemala should coin on government account new silver coins at the ratio with gold of 15 to 1. These coins should be minted at that foreign mint from which the best terms can be obtained. Subject to the approval of the highest mint authorities in Guatemala and abroad, all the new silver coins should be .750 fine. They should be of weights proportionate to their denominations. The silver coins should be as follows: E 1, P 5, and P 2.

X. Guatemala should coin on government account at a foreign mint a nickel coin of P 1, and copper coins of 5¢, 2¢ and 1¢.

XI. Silver coins of the denomination of E 1 should be legal tender in one payment to the amount of E 100; silver coins of smaller denominations should be legal tender in one payment to the amount of E 10; minor coins of nickel and copper should be legal tender in one payment to the amount of E 1.

XII. Existing coins of nickel and copper should be withdrawn from circulation as rapidly as possible and recoined.

XIII. A campaign of education should be carried on to make the public understand the general character of the currency changes that are being made, and the equivalence of the new coins and bills in terms of the old.

XIV. For the present no action should be taken by the government with reference to the circulation in Guatemala of United States paper money.

XV. For the purpose of maintaining the parity with gold of the new silver coins and the coin of nickel and copper, great care should be taken not to issue them in excess of the normal demands of the public for coins of their respective kinds and denominations, and a gold reserve fund to be known as the Gold Standard Reserve should be created by the government. With the same purpose, all these coins should be receivable by the government in payment of all taxes and other government dues.

XVI. The Gold Standard Reserve should be a trust fund separate from all other government funds and used exclusively for the purpose of maintaining the parity of the fiduciary coins with gold. It should be not less than 30 per cent of the fiduciary coins in circulation, and should be constituted from the following funds, all of which should be turned into the reserve at the beginning, even though this would make a larger reserve than 30 per cent: (1) seignorage profits realized on the coinage of all kinds of money; (2) interest realized on that part of the reserve kept on deposit abroad; (3) premiums realized from the sale of exchange against the reserve.

XVII. The government should obligate itself to redeem in gold or its equivalent on demand its fiduciary coins when offered in amount not less than a stated sum; but should reserve for itself the option of making redemption in (1) gold coins of Guatemala or the United States; (2) standard gold bars; (3) drafts on New York (or some other important foreign financial center) at which most of its reserve would at the beginning be kept as an interest bearing bank deposit. When redemption is made in foreign drafts a premium should be charged equivalent to the normal expense of shipping gold between Guatemala and the city in which the draft is payable. Fiduciary coins thus redeemed should be withdrawn from circulation. The government should also authorize its foreign depositary to sell drafts abroad on the reserve in Guatemala against gold deposits abroad to the credit of the reserve. In other words, the principle of the gold exchange standard should be adopted by Guatemala.

XVIII. For the purpose of permanently placing the currency and banking system of Guatemala upon the most modern scientific basis, a National Bank should be established, having the powers and duties that are usually possessed by national banks in other countries. The bank should have an authorized capital not less than E 30,000,000 and a paid-up capital, before beginning business, of not less than E 15,000,000. This capital should be subscribed chiefly by foreigners and should represent the broadest financial interests practicable. The bank should be subject to reasonable government supervision, and the government should participate in all profits realized by the bank above a certain percentage on capital.

XIX. The National Bank should be given liberal rights of note issue which should ultimately become exclusive. The note issue privilege, however, should be subject to such restrictions as would prevent the notes from being issued in excess, and as would assure the convertibility of the notes at all times on demand in gold or gold drafts.

XX. The National Bank should lend money, in the form of its own notes, to the government at a reasonable rate of interest for the payment of the government's debt to the banks.

XXI. Subject to certain qualifications, the present banks should be required to retire at once outstanding notes to an amount equal to four fifths the sum paid them respectively by the government in the settlement of its debt; provided that notes to that amount are outstanding, and provided further, that a limited note circulation should be allowed banks of issue whose charters have not yet expired, for the remaining years of their respective concessions. After the expiration of existing charters the National Bank should be given the exclusive right of note issue in the Republic. Notes of the National Bank should be unlimited legal tender so long as they are redeemable in gold or its equivalent on demand.

XXII. The National Bank should be authorized to make loans, discounts, and rediscounts, of short maturities, for the purposes of current production, but should not be permitted to make capital loans on real estate or other non-liquid securities.

XXIII. The National Bank should be permitted to receive demand deposits against which it should be required to hold the same percentage of cash reserves as against its outstanding notes. It should be permitted to keep three fifths of its legal reserve in the form of demand deposits in approved foreign banks of high standing. Guatemalan banks should be permitted to keep part of their legal reserves in the form of deposits in the National Bank, but the National Bank should not be permitted to pay interest on such deposits.

XXIV. The National Bank should be a depository of government funds, and the fiscal agent of the government.

XXV. The National Bank should be required to act as a clearing house for other Guatemalan banks if they so desire.

XXVI. The bank should establish branches as soon as practicable in the principal cities of the Republic.

XXVII. The bank's charter should be limited to a period of 30 years.

In concluding this Report the writer wishes to say that the recommendations herein made are not made dogmatically. The problem is a complex one, and the conditions are continually changing. New and unforeseen conditions are likely to arise as the work of reform progresses. The details of preconceived plans should not be held too rigidly, but should be modified to meet unforeseen situations and varying conditions. The general principles of currency reform laid down in this Report, however, the writer believes are sound in theory, well supported by the experience of other countries, and thoroughly applicable to Guatemala.

814.51/307a : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *October 25, 1919, 6 p.m.*

When opportunity presents ascertain from President Estrada what progress has been made in translation and publication of Professor Kemmerer's report. Tell him that copy was furnished to Department unofficially and for its confidential information and that Department is in sympathy with general plan of report and will be glad to aid in putting plan into effect if its aid is desired. It is believed that establishment of national bank representing Guatemalan interests and several foreign groups doing business in Guatemala would be very desirable if practicable.

Confidential. Department desires to receive permission from President Estrada to show report to various American interests in order to sound them with regard to possibility of their participating in proposed national bank. It desires to take this action immediately since the present is believed to be the most favorable time for inaugurating a currency reform and since it is felt that Guatemala as well as the Department would be glad to be able to report definite accomplishment at approaching Pan-American Financial Conference.[11] It would be preferable that President Estrada should of his own initiative request Department to approach American bankers and you are instructed to endeavor to obtain such a request rather than to ask permission on behalf of Department to approach these bankers. Also if practicable ascertain discreetly without raising question directly President's attitude toward various American interests which might participate in bank. Department desires also your own opinion in regard to this last matter and in regard to general situation.

PHILLIPS

814.51/309 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

[Extract]

GUATEMALA, *November 3, 1919, 3 p.m.*
[*Received November 5, 9.15 a.m.*]

Strictly confidential. Department's October 25, 7 [6] p.m., my October 30, noon.[12] President Cabrera informed me during an interview this morning that Professor Kemmerer's report was being translated, but he did not intimate that it would be made public.

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[11] See vol. I, pp. 37 ff.

[12] Latter not printed.

He further stated that he would instruct Minister Mendez to request the Department to make such use of this report as might appear desirable.

. . . . . .

THURSTON

814.51/310

Memorandum of Mr. Hugh R. Wilson, of the Division of Latin American Affairs of the Department of State

[WASHINGTON,] *November 25, 1919.*

Memorandum of meeting for the discussion of the [proposed] reorganization of Guatemalan monetary system.

There were present:

Mr. Soto Hall,	Dr. Rowe,
Mr. Giron,	Messrs. Wilson,
Mr. Serrano Munoz,	Munro and
Professor Kemmerer,	Scotten.

It is needless to summarize the digest of the report that Dr. Kemmerer made in view of the fact that it is all set forth in his report, copies of which are now in the Department. It seems advisable, therefore, merely to summarize the questions and objections brought up by the Guatemalan Delegation and Professor Kemmerer's answer thereto.

Mr. Giron expressed a further objection to the present fluctuations in exchange. Merchants who own imported goods for which they must pay money based on gold standard take no chances with the fluctuations and charge profits in pesos large enough to cover any loss that there may be by a sudden drop in exchange. Mr. Giron stated that the prices were often based on 60 to 1 when exchange was 30 to 1.

Mr. Giron also explained that the exchange is in the hands of two or three banking houses which manipulate as they see fit. When money is needed to move the coffee crop the banks can tighten on exchange and relieve it again when money is abundant after the crop has been paid for. The banks furthermore discriminate for their friends and by their controlling interests can refuse loans to those persons who may not be in their good graces.

After Professor Kemmerer had explained the broad control that he advocated for the proposed National Bank, Mr. Giron objected that this would leave the control exactly where it is now and that the same evils would result therefrom. Mr. Giron mentioned that the Government income from the export tax was roughly two million gold and asked Professor Kemmerer whether he did not think that

the Government could eventually save the situation by aiding the banks with this sum to retire the notes under Government supervision. Professor Kemmerer replied that under the system he advocated there would be very little profit in the manipulation of exchange as the gold would so fix the value of Guatemalan currency that the exchange would only fluctuate within the same narrow limits as the exchange between London and New York for example. Furthermore the plan advocates Government supervision. The Government would have, perhaps, two members on the Board of Directors and share in the profits above a cumulative profit for stock-holders. Professor Kemmerer was emphatically of the opinion that the Government could not save the situation with the Revenue on the Coffee Export Tax, both because a considerable amount of this tax was pledged for the payment of the British Foreign Loan and because halfway endeavors would merely postpone the inevitable crash.

After Professor Kemmerer's explanation concerning the method for the means of retirement of the outstanding bank notes, Mr. Giron objected that the Government does not owe banks anywhere nearly as much as the outstanding indebtedness in notes. Professor Kemmerer explained that the bank was only obliged to retire at once the value of four-fifths of the gold currency turned over to it by the Government in payment for debt, leaving a margin of one-fifth of gold currency to guarantee the rest of the outstanding bank notes. Furthermore the banks could offer their collateral to the National Bank, even that collateral which could not be realized on it [*sic*] at the moment because of conditions brought about by the earthquake, the National Bank would discount these notes thus giving further reserve for the stabilization of the outstanding bank notes. The retirement of these bank notes would be a slow process covering several years and Professor Kemmerer stated emphatically that such banks that could not use this assistance and handle this retirement were already in a bankrupt position and the sooner they were declared bankrupt, the better for the stability of Guatemalan finance.

Mr. Giron again urged the consideration of a Government bank as opposed to a bank made up in a great part of foreign capital and controlled by such foreign interests. Professor Kemmerer in reply pointed out that capital was very timid and would not seek investment in a Government-controlled concern.

Mr. Giron objected again that all banks in Guatemala would close because of competition from the National Bank. Professor Kemmerer pointed out that the plan provides that the National Bank cannot give loans of over nine months duration, cannot loan on real estate mortgages nor can it accept and pay interest on time deposits. This excluded a large field of commercial activity from the opera-

tions of the National Bank and gave scope for the large business to the other banks of Guatemala. Mr. Giron stated that he was a stockholder in all the Guatemalan banks and he still believed they would all have to close their doors at the establishment of the National Bank but that this was a sacrifice which stock-holders should be willing to make for the benefit of the Guatemalan people at large.

HUGH R. WILSON

814.51/309 : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *December 9, 1919, 6 p.m.*

Department's October 25, 6 P.M. and your October 30, noon,[13] and November 3, 3 P.M. Department considers it very desirable that plans for currency reform should be discussed by Guatemalan group committee of Pan-American Financial Conference, and that Professor Kemmerer's report should be available for use of committee and to show to banking interests which might be interested in proposed national bank. If you have not as yet secured President Estrada's consent, endeavor to obtain his approval of release of report for confidential use in this manner. Minister Mendez has not yet informed Department that Guatemalan Government wished Department to make such use of report as appeared desirable. Point out to President Estrada that currency situation which is the one outstanding detrimental factor in Guatemala's economic situation will necessarily be discussed at the Pan-American conference and that it would be very desirable to lay before the conference this comprehensive plan of reform and also to show that Guatemala is taking steps to remedy the currency situation. While the Guatemalan Government will doubtless wish to modify certain features of Professor Kemmerer's plan the plan would appear to afford an excellent and practicable basis for effecting the reform with a minimum of expense and inconvenience and for securing a sound and workable currency system.

LANSING

814.51/312 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *December 19, 1919, 9 a.m.*
[*Received December 20, 3.55 p.m.*]

Department's December 9, 6 p.m. President Cabrera yesterday afternoon stated that the Department of State is to use Professor Kemmerer's report in the manner it desires.

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[13] Legation's Oct. 30, noon, not printed.

President Cabrera stated in connection with other points of Department's instruction just referred to that he was finding it difficult to choose suitable delegates to the Financial Conference, but that when the committee was organized it would be furnished comprehensive program for its guidance at conference.

According to a reliable informant the President's translator Delfino Sanchez Latour has recently completed translation of Kemmerer report, but not even the Minister of Finance has seen it.

THURSTON

TREATMENT OF ENEMY PROPERTY [14]

763.72113/1056a : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *November 26, 1918, 3 p.m.*

Mr. Ames, Special Agent of the Department assigned by the War Trade Board, accompanied by Mr. Morgan of the Alien Property Custodian office will arrive shortly in Guatemala City to cooperate with the Guatemalan Government in accordance with its expressed desire for the purpose of elucidating and discussing the principles upon which the United States based its measures respecting Enemy Property within its territories, and the methods by which these measures were put into practice.

You are instructed to present Mr. Ames in his official capacity to the appropriate officials of the Government of Guatemala, to afford him every facility for receiving and transmitting correspondence with the Department and to cooperate with Mr. Ames and Mr. Morgan in all respects.

LANSING

814.6463Em7/2a : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *January 18, 1919, 1 p.m.*

For Ames. Electric Bond and Share Company, New York, as well as Pearsons and Company,[15] interested in purchase Empresa Electrica de Guatemala. Is there any difficulty in effecting sale to one of these American Companies? Would it be advisable for first mentioned company send representative Guatemala immediately make investigations and submit bid for purchase.

POLK

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[14] Continued from *Foreign Relations*, 1918, Supplement 2, pp. 365–372.
[15] Pearson Engineering Corp., also of New York.

814.6463Em7/3 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *January 21, 1919, 9 a.m.*
[*Received 9.45 p.m.*]

For Ely, War Trade Board.

Your cable January 18, 1 p.m. Guatemalan Government is making appraisal electric company. When it is offered for sale the probability is that there will be competition. One of the appraisers is local Westinghouse agent and Fiske of Pearson Corporation made investigation last November. Property valuable, profits last half year 40,000 American dollars. Custodians favor public sale and American companies cannot expect preference and must use own judgement as to sending representative.

THURSTON

763.72113/850 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *January 25, 1919, 9 a.m.*
[*Received 8.34 p.m.*]

[For] Ely, War Trade Board.

Enemy property decree, which has been prepared by lawyer designated by the President and which I propose to present to him on receipt of your reply to this, provided [*provides*] moneys received by Custodian shall be deposited [in] bank designated by the President and removed only for investment in Guatemala and I believe that failing promise of loan referred to in my despatch number 9 of December 18 [16] the President will insist on this [provision]. I report this only because representative[s] Department of State War Trade Board in conference I attended objected to such disposition of funds. Personally cannot understand objection: damage enemy interest is the prime desideratum and disposition of funds cannot effect [*affect*] that and granting it is necessary safeguard funds as security for indemnities it is very unlikely President would make any such disposition of them as would antagonize United States and Allies. Immediate authority is requested therefore to accept provision. To reject it would be entirely inconsistent with the solicitude for sovereign rights of Guatemala which has prevented our forcing enemy property action. Ames.

THURSTON

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[16] Not printed.

763.72113/862b : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *January 31, 1919, 5 p.m.*

For Ames from Ely. "Confidential. Any enemy property legislation which provides for *bona fide* liquidation enemy interests and surrounds proceeds with reasonable safeguards is obviously in the interest of all associated Governments. Any discussion regarding application by Guatemala of proceeds liquidation enemy property can best be had in Paris where Guatemala is represented and where all associated governments will undoubtedly consider question of applying funds in their hands toward indemnity uses and it is essential that your attitude does not foreclose future discussion that question. And that such attitude as you take toward proposed legislation is purely that of expressing your opinion as expert adviser. Your approval will of course follow your own judgment generally within foregoing principles. As soon as decree is promulgated and custodian qualified to act undoubtedly market for enemy owned coffee can be found here. Keep us advised developments of situation. ["]

POLK

763.72113/918

The Special Agent of the Department of State (Ames) to the Acting Secretary of State [17]

[Extract]

No. 18 GUATEMALA, *February 24, 1919.*
[*Received March 8 (?).*]

SIR: I have the honor to report—as communicated in my cable of February 4th.—3 P.M.—copy enclosed [18]—, that on Monday, Feb. 3rd., I handed to the President of Guatemala a copy of the proposed enactments *re* enemy property prepared by Señor Vielman and myself, together with a copy of a note I had sent the Minister of Foreign Affairs on January 30th. officially submitting the proposed enactments. This note, copy and translation of which are enclosed herewith,[18] rehearses the circumstances that gave rise to my mission and the successive steps—or delays—in its progress. I wrote the original in Spanish with the idea of emphasizing the essentially advisory character of my mission.

As stated in my cable of February 15th.—11 A.M.—a copy of which is enclosed [18]—the enactments proposed by Señor Vielman and my-

[17] To Richard Ely of the War Trade Board also.
[18] Not printed

self were threefold:— 1) a Decree, embodying the general provisions of the law; 2) a Resolution embodying the Procedure to be observed in applying it; and 3) a Resolution prohibiting the admission of enemies to Guatemalan citizenship during the continuance of a state of belligerency.

Under date of Feb. 12th. the President and Cabinet signed Decree No. 747—copy and translation enclosed—embodying the proposed decree prepared by Señor Vielman and myself and on February 14th. the President signed a Resolution—copy and translation enclosed[18]—embodying the Procedure to be observed in applying the Decree and another Resolution—copy and translation enclosed [18]—prohibiting the naturalization of enemies.

The Decree appeared in the *Diario de Centro America* of February 15th. and the two Resolutions in the same paper's issue of February 17th. It is from these issues that the copies sent herewith have been taken. The Decree and the two Resolutions were published in the official bulletin, the *Guatemalteco*, under date of February 15th.

. . . . . .

On the same day on which the Resolutions already discussed were signed the President signed a third—copy and translation enclosed [18]—appointing Mr. Daniel B. Hodgsdon Custodian (*Intendente General*) and Señor Federico Vielman Counsel. This Resolution was published in the *Guatemalteco* of February 15th.

A word as to these appointments is in order here:—Mr. Hodgsdon is an American citizen who has lived in Guatemala many years. . . .

. . . . . .

I have [etc.] EDWARD WINSLOW AMES

[Enclosure—Translation]

Executive Decree No. 747, of February 12, 1919, Taking Over Enemy Property in Guatemala

THE CONSTITUTIONAL PRESIDENT OF THE REPUBLIC OF GUATEMALA,

WHEREAS, by Legislative Decree No. 796 the state of belligerency was legally established by Guatemala with reference to the German Empire and the rights created by that state compelled the Government to issue Decrees 737 and 742, which provided for the seizure, control, nationalization and sale, on occasion, of the interests of German Companies in the public service companies, without prejudice to other steps that the circumstances might demand;

[18] Not printed.

WHEREAS, on the assumption by Guatemala of the same belligerent attitude as the United States toward the German Empire and in order to work in harmony with reference to other enemy property, it became necessary to hear the advice that might be offered by that country with a view to maintaining the unity of action and the solidarity created by common rights and obligations in the very important matter in question; and

WHEREAS, now that the opinion of the Counsellor named for the purpose by the Government has been given, as also that of the American Commission designated by the Secretary of State of the United States, the occasion has arrived for formulating an enactment which shall legally define the condition of the supposedly enemy property in the country;

THEREFORE, in the exercise of the extraordinary powers with which he is invested by the National Legislative Assembly and in Council of Ministers,

DECREES:—

ART. 1. All the property, rights and actions within the territory of the Republic belonging to any of the persons, natural or artificial, indicated hereinafter fall immediately under the absolute control of the Government:

a) Subjects of the German Empire or of any of the nations allied with Germany who are in the territory of that Empire or that of its allies;
b) Societies, corporacions and associations, of any kind or character, domiciled and resident in Germany or in any nation allied with the German Empire;
c) All societies, corporacions or associations organized or incorporated under the laws of Germany or of its allies in the territory of the German Empire or that of the allies of that Empire;
d) Persons or associations of persons, subjects of Germany or of any of her allies, with domicile in any nation other than Guatemala, who keep up commercial relations within the territory of Germany or that of her allies;
e) Subjects or associations of subjects of Germany or of her allies and subjects or associations of subjects of any neutral nation, whatever their domicile, provided they commit wrongful acts with the deliberate object of aiding the German Empire in any way—or its allies—or of harming the Republic of Guatemala or any of her allies.

ART. 2. The seizure and control of property shall be carried out by the Custodian, already named by the Government, in conformity with the mandates of this law and with the Procedure with reference thereto which shall be formulated for the purpose.

ART. 3. Within sixty days from the publication of this Decree all persons, natural or artificial, who, holding property of any kind in

the territory of the Republic, are covered by Article 1 of this law, must, in person or through their representatives, present a detailed inventory of all their property, under oath or affirmation, to the Custodian. This inventory shall be confidential and be used and utilized only for the purposes of this law.

ART. 4. Within the same period all persons, natural or artificial, who, by title or otherwise, have in their possession property belonging to individuals or associations covered by Article 1 of this law, must present to the Custodian, under oath or affirmation, an exact inventory of such property, specifying the title or arrangement under which they hold it, the value of the property and the name and address of the owner or interested party.

ART. 5. The managers, directors or representatives of stock companies or joint stock associations organized under the laws of this Republic or duly incorporated must present to the Custodian's Office, within thirty days, a list of all share-holders who are covered by Article 1 of this law, giving the number of shares belonging to each of them.

ART. 6. Every debtor or creditor of any of the persons or associations specified in Article 1 of this law must present to the Custodian, within the same period, a statement, under oath or affirmation, giving the amount and nature of the debt, the date and place of payment and the name and address of the creditor or debtor.

ART. 7. Persons who, being covered by Article 1 of this law, do not present the proper inventory within the period named, shall be punished with a fine of from one thousand to five thousand "pesos", payment of such fine to be no defence against immediate seizure of the property belonging to them. The same penalty shall apply to the persons referred to in Articles 4 and 5 of this law. Debtors who do not present the proper declaration shall be punished by a fine of from 500 to 20000 [*2,000*] pesos and *ipso facto* must make immediate payment. Creditors who do not present the statement called for within the time set shall be subject to the same fine of from 500 to 20000 [*2,000*] pesos and, in addition, shall lose all right or privilege in case, for any reason whatsoever, it shall be necessary to sell the property or properties of the debtor.

ART. 8. In case the inventories, lists and statements to which the preceding Articles refer contain false or misleading data, the persons or the representatives of associations presenting them shall be immediately submitted to the appropriate penal action; they must, moreover, pay the damages thereby occasioned.

ART. 9. The net proceeds of the property subject under this law to seizure and control must be deposited in the banking establishment designated by the Government for the purpose and may not be withdrawn without the express authority of the Government and except for investment in their entirety in this country.

ART. 10. On and after the publication of this law all acts or contracts relative to the disposal, rental or hypothecation of the property, rights and actions of the persons covered by this law shall be null and void. For such acts and contracts to have legal validity they must have the previous express approval of the Government given through the Custodian. Nor may such persons collect, extend or satisfy any debt or give receipts or quittances without the consent of the Custodian.

ART. 11. The expenses and compensations which the seizure and control of the property, rights and actions covered by this law may occasion shall be met by the owners of the property and those having an interest in it in the proportions and under the conditions which the Government may fix by advice of the Custodian.

ART. 12. In any civil cause pending in the Courts or which may hereafter be brought in which there is involved any question concerning the property, rights and actions belonging to persons covered by Article 1 of this law, the Custodian must be made a party.

ART. 13. The periods named in Articles 3, 4, 5, and 6 of this law may be extended by the Government, by special resolution, for a period not to exceed 90 days.

ART. 14. Only the property of persons covered by Article 1 is subject to this law. The rights of Guatemalans shall have no other limitations than those prescribed by the laws, lists and enactments of the Republic.

ART. 15. This Decree shall be reported to the National Legislative Assembly at its next session.

Given in the Palace of the Executive Power in the City of Guatemala the 12th. day of February, 1919.

(Signed) MANUEL ESTRADA C.

The Secretary of the Treasury and Public Credit, in charge of Foreign Affairs
G. AGUIRRE

The Secretary of Government and Justice
J. M. REINA ANDRADE

The Secretary of Public Instruction
J. ED. GIRÓN

The Secretary of Public Works
L. F. MENDIZÁBAL

The Sub-Secretary of War
J. M. LETONA R.

814.6463Em7/12 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 24, 1919, 6 p.m.*
[Received May 26, 4.40 a.m.]

Mr. Catlin [20] informs me Guatemalan Government declines sell Empresa Electrica [21] but is agreeable to leasing it to his company for 10 years at $30,000.00 annual rental. Mr. Catlin states he has sub-

[20] Henry W. Catlin, of the Electrical Bond & Share Co., New York.
[21] See also telegram of March 29, 6 p.m., from the Chargé in Guatemala, p. 272.

mitted to the President a lease contract along these lines which gives his company full protection and preferential rights to outright purchase of plant should it be sold.

He states that Guatemalan officials tell him they cannot sell until outcome of Paris conference is known as they do not desire to place themselves in a position where Germany may demand restitution of seized German properties.

THURSTON

814.6463Em7/18 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 31, 1919, 11 a.m.*
[*Received June 1, 6.40 p.m.*]

My May 24th, 6 p.m. Mr. Catlin has just informed me that last night he signed a lease contract with the Guatemalan Government whereby his company acquires the Empresa Electrica in rental for 10 years at $40,000 per annum.[22] At the end of this period his company may renew contract on the same terms. Mr. Catlin seems well pleased with these conditions and assures me Government will sell plant outright within a year and that the contract grants his company preferential rights of purchase.

Please refer to my despatch number 642 dated November 5th, 1918 [23] last paragraph; under article 1 of decree 742 the Guatemalan Government made full provision for the uninterrupted possession of this plant and I am inclined to doubt its intention of ever selling it outright.

While President Cabrera yesterday formally assured me the other enemy properties taken over by the Guatemalan Government will soon be put up for sale, I do not believe they will be sold since some means probably will be devised of making the terms of purchase unattractive to foreign capital.

In conclusion I respectfully report to the Department that it is the general opinion among foreigners well informed and managers [?] experienced in Guatemalan affairs that President Cabrera will only comply with any suggestion or request emanating from Washington when he can find no [convenient] way of disregarding it.

THURSTON

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[22] The lease was to the American Foreign Power & Light Co., a subsidiary of the Electric Bond & Share Co.

[23] Not printed.

763.72113/1072 : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *July 26, 1919, 1 p.m.*

Your despatch No. 808.[24] Under Treaty of Peace with Germany, Allied and associated Governments reserve right to retain and liquidate, subject to provisions of Treaty, all property within their territories belonging to German nationals or to companies controlled by German nationals at the date when the Treaty comes into force. In the case of states which are not entitled to share in the reparation payments to be made by Germany, the proceeds of liquidations are, subject to rights of Reparation Commission, to be paid directly to the owner. It appears probable that Guatemala will come within this class. Until the completion of the liquidation German property will continue subject to the exceptional war measures.

In view of provisions of Peace Treaty, Department feels that German properties taken over by Guatemalan Alien Property Custodian should be offered for sale at once and under conditions which will give all persons who desire to purchase them an opportunity to bid on equal terms. Request President to furnish a list of the properties with the appraised value of each property for information of prospective purchasers. Department will be glad to aid in securing publicity for such list, thereby assuring wider market and better price.

Confidential. Department feels that practice of private sales of former German owned properties to specially favored parties without competitive bidding should be stopped. You are authorized to make appropriate and discreet representations to prevent sales of this kind. Endeavor to prevent appraisals being made so high as to make sales impossible.

LANSING

763.72113/1083 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *August 5, 1919, 11 a.m.*
[Received August 6, 11 p.m.]

Department's July 26, 1 p.m. I have received from the Guatemala Government the official list of enemy properties taken over by Guatemala Alien Property Custodian which I was instructed to obtain by the Department in the cablegram of May 26.[24] This list comprises

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[24] Not printed.

some 70 German coffee and sugar plantations each of which is fully described as to area, production, laborers etcetera. No appraisals furnished me yet but I have asked for an estimate of the value of each property.

This report further gave a very evasive and unsatisfactory statement of the manner in which one of these properties could be acquired by a prospective purchaser. I indicated to President the inadequacy of this statement and received his assurance that anyone desiring to purchase a former German owned property now in the hands of the Guatemalan Alien Property Custodian need only be a person legally able to buy and to present himself at the public auctions whereby those properties will be sold. The President states that these public auctions will commence during the latter part of this month when official lists of the properties to be sold will be given publicity.

The Mercantile Bank of the Americas; H. W. Catlin; A. Quinby and other *bona fide* American interests have assured me they will bid for these properties. Does the Department desire me to cable list and description of properties?

THURSTON

763.72113/1083 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *September 22, 1919, 5 p.m.*

Your August 5, 11 a.m. If no date has yet been set for sale of German properties, inquire of President when sale will take place. Inform him that United States, desirous that American capital should participate more extensively in development of Guatemala's resources, would be glad to have these properties pass into hands of responsible American interests. In order to facilitate bidding by American interests and to secure more active bidding, this Government would be glad to announce sale with description of properties in *Commerce Reports* and other publications. To do this it is necessary that definite date and conditions for sale should be set. In view of necessity for definitely fixing status of properties and terminating present situation which can only impair their value, Department believes that sale should take place in near future and date and conditions should be set at once.

PHILLIPS

763.72119/7121 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *October 1, 1919, 9 a.m.*
[*Received October 3, 11.30 a.m.*]

My September 22nd, 5 p.m.[26] The Legislative Assembly completed its reading of the peace treaty on September 27th and on September 29th the special committee to which it was referred submitted a recommendation for absolute approval. It is probable full ratification will be effected today or tomorrow.

It is reported that the bill authorizing the nationalization and sale of the enemy properties will be passed tomorrow. Unless this bill specifically states that all sales shall be by public auction I believe—notwithstanding fact that in compliance with the instructions contained in the Department's telegram of September [*July*] 26, 1 p.m. I discreetly though clearly conveyed to both President Cabrera and the Minister for Foreign Affairs the disfavor with which the Department would regard further private sales of German properties, and notwithstanding President Cabrera's assurances to me and to the British Chargé d'Affaires that hereafter sales would be by public auction—the President will avail himself of the discretion accorded by article 10 Code of Procedure of the Guatemalan Alien Property Act in order to sell certain property to certain persons.

The only prospective private sale of which I am aware is that which I reported in my despatch number 808, dated July 2.[26] I am now informed by Mr. H. W. Catlin that he expects soon to purchase direct from President Cabrera a group of enemy properties for which he will pay the appraised value of $3,000,000. Inasmuch as this sale will mean the transfer of approximately one half of the enemy's interests in Guatemala to responsible American interests I consider it to be unadvisable to hinder the transaction. Mr. Catlin further states that he expects at the same time to consummate outright purchase of the Empresa Electrica.

THURSTON

763.72119/7121 : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *October 30, 1919, 6 p.m.*

Your Ocober 1, 9 a. m. Department has been informed that bill authorizing the sale of enemy property has been passed and that a public sale will be held on November 30. If so cable Department

[26] Not printed.

main provisions of bill and of regulations affecting sale. What properties will be sold on this date?

Certain Americans interested in purchase of these properties have intimated that they would be more ready to submit bids if regulations provided for (1) sealed bids (2) an award as soon as possible after acceptance of bids (3) that the government either guarantee title of property sold or allow period not exceeding 30 days after award for examination of title by purchaser, receiving deposit of percentage of purchase price meanwhile as guarantee of good faith. Unless such course seems to you impolitic, discreetly urge upon president desirability of incorporating these suggestions in regulations for sale.

Is government bound to accept highest bid. In case of sale of coffee or sugar plantations will sale carry with it pending crop. Cable reply.

LANSING

763.72113/1131: Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *October 30, 1919, 10 a.m.*
[*Received October 31, 5.10 p.m.*]

During an interview with President Cabrera on October 3rd I conveyed to him the contents of the Department's instruction dated September 22, 5 p.m. He stated he had deemed it best to await the ratification of the treaty with Germany before proceeding with the sale of the German properties; that the ratification had been effected; that he had nearly completed the *acuerdo* whereby the rulings would be officially authorized and that on the following Monday, October 6th, he would inform me of the date and conditions of sale.

On October 15th I addressed a note to the President reminding him of the matter but received no reply and on October 25th I sent him a telegram stating that I was preparing a cablegram for transmission to the Department in which I would be very pleased to incorporate any information he might see fit to furnish in response to my inquiries of October 3rd and 15th; he replied by telegraph that by October 29th at the latest he would furnish the desired information but he has failed to fulfill his word.

I am convinced that President Cabrera is vigorously opposed to the transfer of these properties to American interests. There is no other explanation of his attitude throughout the whole enemy property negotiations. I recommend that the Department give

serious consideration to the advices received, cabling me instructions whereunder I can force the issue with him since if emphatic representations are not made immediately the return of these properties to their German owners or their apportionment among natives financed by Germans and this Government may possibly result. I have received but have not confirmed several reports that President Cabrera is conducting negotiations with Germans on this subject.

Since all applicants have been denied information regarding properties I have furnished it to representatives of G. Amsink and Company, Mercantile Bank, Imbrie and Company and other responsible American interests and if sale is held there should be heavy bidding by American interests. I have sent report by mail.[27]

THURSTON

763.72113/1135 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *November 3, 1919, 4 p.m.*
[*Received November 5, 1 p.m.*]

Department's October 30, 6 p.m. Unless contrary to the Department's wishes please inform me source of information regarding date for sale of enemy properties.

See my October 30, 10 p.m. [*a.m.*] During an interview this morning I succeeded in amicably obtaining from President Cabrera certain official definite statements regarding sale of enemy properties, which information he promises to confirm in writing by to-morrow.

He states that to-morrow the addresserdo [*acuerdo*] announcing a 16 day preparatory period will be published at the end of which period bids will be received during another 15 days; that the bids will be sealed; that the Government will guarantee all titles; that highest bids will be accepted; and that sale will carry with it crops standing on plantations.

The objectionable feature of the President's program is that regarding the crops. Under the arrangement outlined to me to-day the earliest possible transfer one of these properties cannot occur before mid-December and by that time, I am informed, 10 per cent of the sugar and 30 per cent of the coffee will have been harvested and disposed of.

I will cable further upon receipt of the information promised for to-morrow.

THURSTON

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[27] Report not printed.

763.72113/1141 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *November 11, 1919, 8 p.m.*
[*Received November 13, 7.30 p.m.*]

Department's November 8, 6 p.m.[28] The addresserdo [*acuerdo*] has not been published nor have I been furnished promised written statement.

Please refer to my despatch number 875[28] and recent telegrams on this subject. Under special orders from the Alien Property Custodian coffee is being removed from enemy properties as rapidly as possible. Continued delay in effecting sales steadily advances the date on which any of these properties can be transferred, which in turn means that plantations very probably will be stripped before new owners take possession.

Continued delay likewise affords encouragement of German owners of these properties (who are arriving from abroad by every boat) and ample opportunity to prepare plans whereby, with the very willing connivance of natives, they may purchase these properties at prices *bona fide* business men would not pay.

THURSTON

763.72113/1141 : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *November 17, 1919, 2 p.m.*

Your November 11, 8 p.m. In view of the conditions described by you, Department feels that private sales may be preferable to public auction so long as properties are acquired by *bona fide* American interests. It is not felt advisable, therefore, to object to a sale such as that reported by you in your October 1, 9 a.m. Department feels, however, that all *bona fide* American interests should be given opportunity to negotiate for these properties and should be furnished discreetly with any information in possession of Legation which may facilitate their acquisition of those properties.

LANSING

763.72113/1141 : Telegram

The Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *November 22, 1919, 5 p.m.*

Your November 11, 8 p.m. and November 3, 4 p.m.

Department cannot understand why the addresserdo [*acuerdo*] referred to in your telegrams of November 11, 8 p.m., and November

[28] Not printed.

3, 4 p.m., has not been published. The Department thinks that it should be published at the earliest moment and desires to be informed of the date when it will be published. You are instructed to bring this matter again to the attention of the Guatemalan Government and to impress upon it the importance with which the Department regards this matter.

LANSING

763.72113/1163 : Telegram

The Chargé in Guatemala (Thurston) to the Secretary of State

GUATEMALA, *December 9, 1919, 4 p.m.*
[*Received December 11, 1.56 p.m.*]

My December 6, 4 p.m.[29] President Cabrera yesterday informed me that the delay in selling the enemy properties was due to the discovery of a plot by the Germans to call a general strike of the coffee laborers [immediately] the sale of properties should be announced. The President said that in order not to incur the risk of losing a valuable portion of the coffee crop through such a contingency he would not effect sale until entire crop was harvested, which will be about the end of January. When pressed for a statement as to whether the properties would then be sold the President emphatically asserted they would be sold, and in response to further questioning stated that those persons now here in representation of American interests desirous of purchasing these properties should remain.

It is highly improbable that the Indian laborers on the coffee plantations, whose situation closely resembles slavery, could be incited to anything resembling a strike. This Government will receive approximately $3,000,000 through sales of coffee from enemy plantations and approximately $700,000 additional through disposal of sugar.

THURSTON

763.72113/1163 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *December 26, 1919, 6 p.m.*

Your December 9, 4 P.M. President Cabrera has upon three occasions fixed a date for the liquidation of enemy property in Guatemala. On the basis of such announcements American interests have sent their representatives to Guatemala for the purpose of purchasing

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[29] Not printed.

these properties. In view of the repeated postponement of such liquidation and in fairness to these representatives the Department feels that it is not too much to ask that a definite announcement be made as to what President Cabrera's policy is in regard to the matter. You will place this matter before the President and obtain a definite reply at the earliest opportunity.

POLK

763.72113/1198: Telegram

The Chargé in Guatemala (McMillin) to the Secretary of State

GUATEMALA, *January 28, 1920, noon.*
[*Received January 30, 12.20 a.m.*]

21. Legation's 17, January 22, noon.[30] *Acuerdo* authorizing sale of enemy properties published yesterday. Fifteen days allowed for an appraisal of the properties and bids will be received one month after expiration above mentioned period. *Acuerdo* stipulates that all sales shall be public except in case of an express disposition respecting the form of the receipts and price, which the Government will dictate in each case which it esteems necessary. Translation and copy of *acuerdo* was transmitted to the Department in pouch yesterday.[30]

MCMILLIN

CONVENTION WITH THE UNITED STATES FOR THE ESTABLISHMENT OF AN INTERNATIONAL GOLD-CLEARANCE FUND

(See volume I, page 42, footnote 42.)

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

BOUNDARY DISPUTE WITH HONDURAS

(See volume I, pages 85 ff.)

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[30] Not printed.

HAITI

EXECUTION OF THE TREATY OF SEPTEMBER 16, 1915[1]

Arrangements for Direct Communication with the President of Haiti and for Periodic Conferences of American Treaty Officials—Supplementary Agreements, August 24 and December 3, 1918, Providing for American Approval of Legislation and Disbursements—Request of the Haitian Government for the Abolition of Martial Law and for the Right to Appoint and Dismiss Customs Employees—Complaints Alleging Arbitrary Acts of American Financial Authorities—Consideration of Withdrawal of the Forces of Occupation—Reports of Increased Banditry; Dispatch of Additional Forces—Note of October 10, 1919, in Justification of the Policies of the Occupation

838.011/47 : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *May 29, 1918, 3 p.m.*

Your May 10, 6 p.m.[2]

You will ask an audience with the President of Haiti and hand him the following statement: "the Government of the United States cannot understand the lack of cooperation on the part of the Government of Haiti in relation to the publication in the *Official Gazette* of May 8th, of the date of the plebiscite for the Constitution, without previous agreement with the Legation, and has taken careful note of the statement of the President of Haiti in regard to a misunderstanding having arisen due to the Acting Minister for Foreign Affairs.

In order to avoid future misunderstandings of this nature, the Government of the United States is of the opinion that a more useful purpose will be served if major negotiations between the United States and Haiti at Port au Prince shall, in the future, be transacted directly between the President of Haiti and the American Legation.

As the Government of the United States is entirely convinced of the desire of the President of Haiti for closer cooperation in view of the provisions of the Treaty of 1915 and feels certain that he is most desirous of obviating any further difficulty in connection with very important negotiations, it has instructed the American Minister to act in the manner outlined above."

LANSING

[1] Continued from *Foreign Relations*, 1917, pp. 802–813; for text of treaty of 1915, see *ibid.*, 1916, p. 328.

[2] Not printed.

711.38/122a : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *June 22, 1918, 2 p.m.*

You are instructed to deliver the following note to the President of Haiti, textually:

"In 1915, the Government of the United States and the Government of Haiti concluded a convention wherein the two Governments agreed to cooperate in the remedying of Haitian revenues and finances, in the maintenance of the tranquillity of that republic and in the carrying out of plans for the economic development and prosperity of Haiti. The Government of the United States is of the opinion that in order properly to achieve these objects of the treaty, appropriate legislation is requisite, the machinery for the enactment of which has been provided in Article D of the new constitution.[3] Being confident that the Government of Haiti concurs fully in this attitude, and in view of the treaty obligations of the Government of the United States toward the Government of Haiti, set forth above, this Government desires to bring to the attention of the Haitian Government its belief that all proposed legislation bearing upon any of the objects of the Treaty should be submitted to the representative of the United States near the Haitian Government for the information of this Government and if necessary for discussion between the two Governments, prior to the enactment of the proposed legislation. The Government of the United States has to this end empowered the American Minister at Port au Prince to confer with Your Excellency's Government in regard to the method best adapted to achieve the desired results."

You are therefore instructed to confer with the President of Haiti at this audience regarding the details for the execution of the above-mentioned arrangement, which should be embodied in memoranda to be exchanged between the Haitian Government and the Legation after approval by the Department. Confidential: For your guidance in this connection, you are informed that the Department considers the Legation to be the intermediary between the United States and all the treaty officials and desires that you will confer with the different treaty officials concerning the proposed legislation having to do with their respective duties.

LANSING

711.38/123 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *June 26, 1918, 4 p.m.*
[*Received June 28, 4.50 a.m.*]

Department's June 22, 6 [2] p.m. Note delivered yesterday to the President who fully shares in the views therein expressed as to future legislation.

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[3] *Foreign Relations*, 1918, p. 502.

As to the details for the execution of the arrangement in question, the President desires that after discussing the matter and being informed, that these details should be embodied in memoranda etc. Stated that he would prepare a memorandum to that end.

BLANCHARD

711.38/124 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *July 3, 1918, 12 noon.*
[*Received July 6, 4.50 a.m.*]

Department's June 22, 6 [2] p.m. Legation's June 26, 4 p.m. The following form of memorandum to be agreed upon with the Haitian Government submitted for the Department's approval. Respectfully request cable instructions.

"The Government of the United States and the Government of Haiti having concluded, in 1915, a convention wherein the two Governments agreed to cooperate in the remedying of the Haitian finances, in the maintenance of the tranquillity of Haiti, and in the carrying out of a program for the economic development and prosperity of that Republic,

To achieve these objects of the treaty, the Government of the United States, represented by Mr. A. Bailly-Blanchard, Envoy [Extraordinary] and Minister Plenipotentiary of the United States of America, and

The Government of Haiti, represented by Mr. Louis Borno, Secretary of State for Foreign Affairs, Finance and Commerce, have agreed that all proposed legislation bearing upon any of the objects of the treaty shall be communicated, prior to the enactment thereof, to the representative of the United States near the Haitian Government, for the information of the Government of the United States and, if necessary, for discussion between the two Governments.

Signed and sealed in duplicate, in the English and French languages, at Port au Prince, Haiti, the (blank) day of (blank) 1918."

BLANCHARD

711.38/124a : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *July 3, 1918, 5 p.m.*

Confidential. In order to effect greater coordination among the Treaty officials in Haiti, namely, the Chief of Gendarmerie,[4] the

[4] The commanding officer of the American forces was also included, on the Minister's suggestion, since the Chief of Gendarmerie was under his orders (File No. 711.38/126).

Financial Adviser, General Receiver of Customs, the Engineer in charge of Public Works, the Engineer in charge of Sanitation, the Department desires that they should have a conference once a week, or oftener if necessary; this conference to take place at the American Legation and to be presided over by the American Minister. At these meetings, matters of general importance should be discussed, especially any difficulties or differences which may have arisen between particular Treaty officials and the Haitian Government. In the event that any such difficulty does not appear capable of solution by the particular Treaty official, the latter may request the American Minister to present the matter to the Haitian Government as one which the United States considers desirable from the point of view of the Treaty. The Minister shall decide in each case, whether or not it is necessary for him to secure the approval of the Department prior to presentation of the matter to the Haitian Government; the general policy of the United States in the carrying out of the Treaty obligations in Haiti shall be a guide for the Minister in this connection. While the Minister shall have the ultimate decision in Haiti whether or not any particular matter shall be presented to the Haitian Government as described above, yet he should give careful consideration to the majority opinion of the conferees. It is to be noted in this regard, that the Department does not desire that these conferences shall afford an opportunity for the shifting of petty burdens and responsibilities from the shoulders of the officials participating therein, but rather should be used to coordinate the work of the different American officials and give them a means of consolidated expression in important matters where such expression is necessary to achieve the desired object.

You are instructed to act in accordance with the above and to request the before-mentioned officials to confer with you immediately at the Legation, when you will inform them of your instructions and that the Department desires the Treaty officials to act in conformity therewith. At this preliminary meeting you will choose the time for the regular weekly meeting and provide for the means of calling any special meetings which may from time to time be necessary. You should inform the conferees that the Department desires that these meetings be considered confidential. You are further instructed to forward to the Department a brief mail report of each conference; this to include the topics discussed, the opinions of the conferees, the decisions arrived at, any action taken by you and any other remarks you may consider pertinent.

LANSING

711.38/124 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *July 13, 1918, 4 p.m.*

Your July 3, 12 noon.

The Department prefers that the understanding with the Haitian Government should be arrived at by means of an exchange of notes. In this connection the Department is of the opinion that a reply by the Haitian Government concurring with the note which you were instructed by Department's June 22, 2 p.m., to transmit to the Haitian Government, would effect such an understanding.

You are instructed so to inform the Haitian Government, to request a reply as mentioned above, and to bring clearly to the attention of the Haitian Government that the Government of the United States considers that the execution of the understanding aforesaid entails that no action should be taken by the Council of State on the proposed legislation communicated to the Legation until the Legation has informed the Haitian Government that the Government of the United States perceives no objection to the proposed legislation.

POLK

711.38/125 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *July 18, 1918, 9 a.m.*
[*Received July 21, 3.21 p.m.*]

Department's July 13, 4 p.m. . . .

Referring to my cable of June 26, 4 p.m., not having received the memorandum in question, at the reception referred to in my June [*July*] 13, 5 p.m.,[5] I recalled the matter to the President who expressed surprise that such had not yet reached me and at once asked the Minister for Foreign Affairs who was present for an explanation. Mr. Borno stated that he had been very much occupied, excused [himself] for the delay and stated that he contemplated calling at the Legation the next day in reference to this matter.

On the morning of July 1st Mr. Borno called and produced the document which I had delivered to the President as per Department's June 22, 6 [2] p.m. remarking that this should have been addressed to him. I told him that the document, in pursuance of the Department's instructions, had been delivered, as he knew, to the

[5] Not printed.

President who was fully in accord therewith. He suggested that I address a similar memorandum to him to which he would reply, as the delivery of the one to the President was not official. This I declined to do. He then remarked that the document was undated. As the document had been delivered to the President by me personally I had not considered it necessary to date it. However, I told Mr. Borno I would give it the date of its delivery to the President which I did.

Mr. Borno then attempted to enter into a discussion as to the details which I declined to entertain again reminding him that the matter had already been decided with the President and all that remained to be done was to furnish the memorandum as promised by the President to be exchanged between the Haitian Government and this Legation after approval by the Department.

Mr. Borno then promised that he would send me the memorandum that afternoon which he did.

Upon examination of the same I found that Mr. Borno had worded the memorandum as if the matter had been treated upon with him rather than the President advising me that " in conformity with the understanding had between us, etc.", and further not in a form for exchange.

This did not seem to me to be in conformity with Department's instructions and I therefore prepared a form of memorandum which I communicated to him and to which both the President and he agreed. This form was forwarded to the Department for its consideration in my July 3, noon.

Am I to understand from Department's July 13, 4 p.m. that the Department desires me to recommence the whole procedure with the Minister of Foreign Affairs by means of an exchange of notes?

BLANCHARD

711.38/125 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *July 31, 1918, 6 p.m.*

Your July 18, 9 a.m.

The Department desires the understanding should be arrived at by a less formal means than the memorandum submitted by you in your July 3, 12 noon. It is thought advisable that the understanding relative to legislation bearing upon the Treaty of 1915 be regarded as an interpretation of the terms of that Treaty.

Therefore a reply in writing from the Haitian Government concurring in the note you delivered to the President of Haiti pursuant to the Department's June 22, 2 p.m. will achieve the desired understanding.

You will request an audience with the President and remind him of the arrangement between himself and this Government relative to direct negotiation in matters of major importance; inform him of the difficulties you have experienced with Minister for Foreign Affairs as set forth in your July 18, 9 a.m. and request him to have the reply referred to above sent to the Legation. You will ascertain at this audience whether or not the Minister for Foreign Affairs is aware of the arrangement for transaction of major negotiations between the President of Haiti and the American Legation as initiated in Department's May 29, 3 p.m. If the Minister for Foreign Affairs is cognizant of this, Department cannot but consider his attitude in regard to understanding in reference to legislation as being against the purpose of the Treaty.

POLK

711.38/138

The Haitian Secretary of State for Foreign Affairs (Borno) to the American Minister (Bailly-Blanchard)[6]

[Translation]

The two Governments of the United States of America and Haiti having concluded, in 1915, a convention wherein the two Governments agreed to cooperate in the remedying of the Haitian Finances, in the maintenance of the tranquillity of Haiti, and in the carrying out of a program for the economic development and prosperity of that Republic, the Secretary of State for Foreign Affairs has the honor to advise the Minister of the United States that in conformity with the understanding had between them any project of law bearing upon any of the objects of the Treaty, prior to being submitted to the Legislative Body, of Haiti, shall be communicated to the Representative of the United States for the information of his Government and if necessary for discussion between the two Governments.

PORT AU PRINCE, *August 24, 1918.*

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[6] The text of this agreement was transmitted by the Minister in his despatch No. 376, Dec. 11, 1919 (*Foreign Relations*, 1920, vol. II), in compliance with the following telegram, of Aug. 30, 1919 2 p.m., referring to the Minister's Aug. 21, 4 p.m., p. 336: "Report fully by mail concerning passage of laws without notification. Forward copy of agreement mentioned." (File No. 711.38/133.) No earlier report of the agreement has been found in the files.

711.38/127 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *September 24, 1918, 4 p.m.*
[*Received 8.45 p.m.*]

Department's June 22nd, 2 p.m. and July 3rd, 5 p.m. Request instructions whether proposed laws submitted by Haitian Government to this Legation for the information of the Government of the United States must be forwarded to Washington and enactment delayed pending expression of opinion thereon by the Department or if, after conference with treaty officials, this Legation is authorized to advise the Haitian Government that there is no objection to the proposed law submitted or, in the event of objections, to enter into discussion relative thereto with the Haitian Government.

BLANCHARD

711.38/127 : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *September 26, 1918, 4 p.m.*

Your September 24, 4 p.m. Confidential.

Proposed laws submitted by Haitian Government to the Legation should be discussed and thoroughly considered by you and the Treaty official to whose province the proposed legislation pertains whereupon the matter could be considered at the weekly conference. If thereafter, there is no objection to the proposed laws you will so advise the Haitian Government, but should there be objection discuss it with the President of Haiti and any of his Cabinet whose presence he may desire in cooperation with any of the Treaty officials you may wish or by you alone. If you and the Haitian Government cannot arrive at a successful solution of the objection, inform the Department fully thereof by cable and request that Government to delay any enactment pending an opportunity for this Department to study the question and express an opinion thereon.

As you will observe from the above statement the Department desires that you and the conference should decide most of the questions relative to the advisability of proposed new legislation without referring same to the Department, and it is left to your discretion when to request the opinion of the Department as to whether it is necessary to object to a proposed law or suggest its alteration by the Haitian Government, while it is yet under consideration.

LANSING

838.51/757a : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *November 30, 1918, 2 p.m.*

The Department has received the following note from the Haitian Legation in Washington,[7] "The undersigned Chargé d'Affaires *ad interim* of Haiti is under positive orders to deliver the following note to His Excellency the Secretary of State: 'At the very moment when your Excellency addresses the Government of Haiti as that of a free and independent nation at the very moment when, thanks to the might of the United States the holy principles of right, justice, respect of small peoples triumph in the world, the Haitian people are the prey of the vexatious and unfair tyranny of American officials who, contrary to the Treaty, would impose revenue laws and taxes on the Republic without joint consideration with us, without conceding to the Haitian Government the right to rectify even the obvious, material and other mistakes made in their plans.

'The Haitian people are firmly resolved to carry out, with the American Government's help, all the reforms that progress demands, but through that most cordial cooperation stipulated in the Treaty, that cooperation which proceeds on joint examinations and not on imperative commands notified without regard to national dignity and prompted perhaps by sentiments of a private nature, in which the higher interests of the two countries are given no consideration. So the Haitian Government adheres to the conviction that the Department of State which is not fully informed of the true situation of Haiti will see fit to take steps toward meeting the legitimate desires of the Haitian Nation which places the utmost reliance on the noble impartiality of the Honorable Head of the Department of State and the illustrious Chief of the Government of the United States.'

In making this communication to His Excellency, the Secretary of State, the undersigned has the honor to renew to him the assurance of his highest consideration."

You are instructed to convoke immediately a conference of the Treaty officials and Colonel Russell, to lay before this conference the note quoted above and report to the Department by cable the opinion of the conference, also any opinion you may have personally in this connection which you may feel the Department should know.

LANSING

[7] The note was dated Nov. 20 and delivered Nov. 27 (File No. 838.51/766).

838.51/758 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *December 4, 1918, 5 p.m.*
[*Received 10.33 p.m.*]

Pursuant to Department's November 30, 2 p.m. meetings of the treaty officials with Colonel Russell and to which General Catlin who since December 1 has relieved Colonel Russell of the command of the United States military forces ashore in Haiti was invited and attended, took place December 3 and 4.

The only revenue law providing for new taxation that has been proposed to the Haitian Government is the one referred to in the Department's cable instructions of November 5th, 4 p.m.[8] To this project of law the Haitian Government has not objected either to this Legation or to the Financial Adviser.

Since the appointment of the present Minister of Finance *ad interim*, he and the Financial Adviser have been in daily conference and yesterday reached a satisfactory agreement as to the budgetary laws which have been submitted by the Government to the Council of State and according to information just received have today been enacted into law. The question of control of disbursements, which was eliminated from the laws at the request of Haitian Government, has been settled by the following note received by me from the Minister for Foreign Affairs *ad interim*,[9] translation:

"I am [happy] to be able to renew to Your Excellency the sincere and constant desire of the Government of the Republic to act always in conformity with the convention of September 16, 1915.

To realize this desire, the expenses being made in conformity with law and within the limits and credits regularly noted, I have the honor to communicate to Your Excellency that it is agreed that all payments for account of the Haitien Government shall be made with the advice of the Financial Adviser, and that to this end all instances of payment addressed to the General Receiver or to the Banque Nationale de la Republique d'Haiti shall be first sent to the Financial Adviser, and shall not be paid without his visa."

The unanimous opinion of the meeting, in which I concur, is that the note delivered to the Department of State by the Haitian Chargé d'Affaires at Washington expresses the personal views of Mr. Borno, who was retired from the Cabinet by the President on the 25th ultimo because of his undue activities tending to disturb the relations existing between the Haitian Government, Department of State and treaty officials, and the impossibility of his cooperation with this Legation and with treaty officials. The conference further

[8] Not printed.
[9] The note was dated Dec. 3, 1918.

is of the opinion, in which I concur, that the retirement of Mr. Borno, and the agreement reached as to the budgetary laws and the control of disbursements, in removing present causes of friction, should lead to the cooperation necessary to bring about fulfillment of objects of treaty.

BLANCHARD

838.00/1560

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

[Extract]

No. 303 PORT AU PRINCE, *February 5, 1919.*
Confidential [*Received March 12.*]

SIR: Referring to the Department's confidential cable instruction of July 3, 5 p.m.,[10] I have the honor to report that the Brigade Commander and the Treaty Officials, except the Financial Adviser, met under my presidency at the Legation on Wednesday February 5th at 2:30 p.m.

. . . . . .

The Brigade Commander presented at the meeting a copy of a document which he had obtained, and stated that it was the instructions issued by the Haitian Government to their Delegate to the Peace Conference, their Minister in Paris. This document was read at the Conference and, at the suggestion of the Brigade Commander, a copy is herewith attached to this report.

The Conference adjourned at 5:50 p.m.

I have [etc.] A. BAILLY-BLANCHARD

[Enclosure—Translation [11]]

The Haitian Secretary of State for Foreign Affairs (Benoit) to the Haitian Minister in France and Delegate to the Peace Conference (Guilbaud)

[PORT AU PRINCE,] *January 22, 1919.*

MR. MINISTER: In answer to your telegraphic despatch received the 18th of this month, announcing the opening of the Peace Conference and the right for our Government to be represented by a Delegate, the President of the Republic replied as follows:

"Inform the Minister of Foreign Affairs that you are the Delegate of the Government of Haiti to the Peace Conference. While awaiting your letters of credence and precise and detailed instructions,

[10] *Ante*, p. 305.
[11] Substituted for file translation.

adopt an attitude in keeping with the principles of equality of nations and protection of the small states."

You are therefore, Mr. Minister, our Plenipotentiary to the Peace Conference and we herewith transmit to you our instructions concerning the claims that we desire to have accepted at the Solemn Assizes of the Nations and touching the line of conduct in keeping with the policy of our Government that you are to follow.

. . . . . .

Apart from the above three claims to be presented to the Peace Conference, we are entrusting you with a special mission to President Wilson and to Secretary of State Lansing. You will see them personally and request in the name of the Haitian Government:

(*a*) Abolition in Haiti of the regime of martial law and of the provost courts instituted since the arrival of the American Occupation in Haiti and no longer justifiable.

(*b*) Recognition of the right of the Haitian Government, in conformity with article 2 of the Convention of September 16, 1915, to appoint and discharge the Haitian employees of all the customs houses of the Republic.

The latter question which was brought before the Government at Washington, at the time when the Convention was going into effect,[12] has never received any solution, in spite of its great importance to us.

The Haitian Government has always maintained that the General Receiver and the aides and employees who are to be appointed by the President of Haiti upon the nomination of the President of the United States, form a service for the collection of all customs duties, a bureau distinct from the customs service, properly so-called, which consists in checking, verifying and taxing the goods, in conformity with the tariff; that, consequently, the Haitian employees of this customs service are to be dependent upon the exclusive appointment of the President of Haiti; but the latter, nevertheless, responding to the promises of effective help from the President of the United States, will make no appointments to the customs houses except in accord with the Receiver General who, on his side, shall have the right to delegate to the customs houses such of the aides and employees of his office as it shall please him to choose to control the custom house operations. See *Report of Louis Borno*,[13] letter to the American Legation, September 16, 1916 [*1915*],[14] at end page 214.

Tired of discussing, and wishing to hasten the putting into effect of the Convention, the Haitian Government deemed it necessary—

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[12] See *Foreign Relations*, 1916, pp. 322 ff.

[13] *Rapport de M. Louis Borno, Secrétaire d'Etat des Relations Extérieures à S. E. Monsieur le Président de la République d'Haiti . . . 1916* (Port au Prince, Imprimerie Nationale, 1918).

[14] *Foreign Relations*, 1915, p. 454.

while formally reserving the matter—not to insist nevertheless upon their right of appointment and dismissal in the personnel of the customs houses. And in a despatch to our Minister at Washington, the Department of Foreign Relations wrote on October 28, 1916:

"And, only in the case of your insistence being vain, I cannot but authorize you to accept the interpretation of the Department of State for the sole object of avoiding any delay in putting the Convention into effect, but you should not fail to do so under all reservations and stating that the question which has thus arisen will be submitted to arbitration in conformity with article 1 of the Haitian-American Convention of Arbitration of March 22, 1909.[15]

When making these reservations, it would at the same time serve a useful purpose to make the remark to the Department of State that the Government cannot abandon this interpretation which is also that of the Legislative Body—*Report of Louis Borno*, page 215."

As you will observe, we have preferred, apart from the claims that you are to present against Germany, to entrust you with a special mission to President Wilson and Secretary of State Lansing touching our claims relative to the application of the Convention of 1915 in Haiti. We have preferred to adopt this course because it seemed to us more likely to produce practical results.

As a matter of fact, it will be easier for you to arrive at a solution of these difficulties by addressing yourself personally to President Wilson and to his Secretary of State who, we believe, have not always been faithfully informed by their agents in Haiti on what was passing here. In a heart-to-heart conversation, there will be, undoubtedly, more likelihood that by a sincere, faithful presentation of the facts in all their details, you shall obtain justice for us at the hands of President Wilson upon the two questions of the abolition of martial law and of the provost courts, and of the recognition in favor of the Haitian Government of the right of appointment and of dismissal in the personnel of the customs houses of the Republic, in accordance with the Convention of September 16, 1915.

Finally, there is another reason for adopting this course which is not the least important in our eyes and which you will not fail to grasp. We believe that the American Government will be more disposed to admit our claims if we seek for their solution in a personal conference with them, rather than by taking the claims directly to the Conference. Doubtless they could think they would win the case against us in a public discussion, but, just at the moment when their chief, President Wilson, is giving the assurance that one of the principal reasons for his personal presence at the table of the Conference is to bring about the triumph of the principle of respect for the

[15] The treaty was signed on Jan. 7, 1909; Mar. 22 is the date of the Haitian ratification.

rights of the small nations by the strong, the representatives of the American Government, President Wilson himself, Mr. Lansing who knows how often we have laid our claims before him without obtaining justice, should surely deem it best, at this hour, that the voice of a feeble nation like Haiti should not be raised in the presence of all the nations assembled to complain, with just reason, of the injustice of the powerful Republic of the United States.

. . . . . .

To sum up, put yourself in communication with President Wilson and Secretary of State Lansing, and shape your course accordingly. Take advantage of every opportunity to inform them of our internal situation. Insist upon the financial question, the unification of our debt at a reasonable rate of interest; an improved budget of expenses, soon, the one which has been imposed upon us being a famine budget, rendering impossible all amelioration in the moral and economic situation of the country, since the best part of the receipts have been absorbed by the police, the public works and health departments, the latter expenses being made independently and beyond the control of the Government.

Keep a close watch over events so as to reap, if need be, all the advantages possible to our country. It is not possible to prescribe, in advance, what your attitude shall be under all circumstances.

For that matter, the Government relies, Mr. Delegate, upon your tact, your clear-sightedness and your skill.

I take [etc.] C. BENOIT

838.51/840

The Haitian Chargé (Blanchet) to the Acting Secretary of State

[Translation]

The Chargé d'Affaires *ad interim* of the Republic of Haiti presents his compliments to His Excellency the Secretary of State and has the honor to transmit to him, by virtue of instructions received from his Government, firstly a Memorandum under date of January 25, 1919, which the Haitian Government has prepared to meet a desire expressed by the United States Government, in the note of His Excellency under date of November 30, 1918,[17] to have a more precise and detailed declaration of the grievances set forth in the note of November 20, 1918,[18] transmitted on the 27th of the same month to His Excellency by the Chargé d'Affaires *ad interim* of Haiti, and secondly the documents[19] appended to the Memorandum, which are enumerated as follows:

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[17] Note quoted in enclosure, *infra*.
[18] See telegram of Nov. 30, 1918, to the Minister in Haiti, p. 311.
[19] None printed.

1. A letter from the Financial Adviser to the Secretary of Finance of October 11, 1918, and the reply of October 12.
2. A letter from the Financial Adviser to the Secretary of Finance of October 12, 1918.
3. A letter from the Financial Adviser to the Secretary of Finance of October 15, 1918.
4. A letter from the Secretary of Finance to the Financial Adviser of October 30, 1918.
5. A letter to [*from*] the Secretary of Foreign Affairs to Mr. A. Bailly-Blanchard, E.E. and M.P. of the United States, of October 31, 1918.
6. A letter from the Secretary of Finance to the Financial Adviser of November 13, 1918.
7. A letter from the Secretary of Finance to the Financial Adviser of November 13, 1918.
8. A letter from the Secretary of Finance to the Financial Adviser of November 13, 1918.
9. A letter from the Secretary of Foreign Affairs to Mr. A. Bailly-Blanchard of November 15, 1918.
10. A letter from the Secretary of Finance to the Financial Adviser of November 19, 1918.

A. BLANCHET

WASHINGTON, *February 14, 1919.*

[Enclosure—Translation]

PORT AU PRINCE, *January 25, 1919.*

Memorandum in reply to the request for a specification of the various grievances of which the Government complained to the State Department in its note of November 15 [*20*], 1918, delivered on the 27th of the said month in person to the Secretary of State

On November 15, 1918, the Secretary of Foreign Affairs of the Republic of Haiti telegraphed to the Haitian Legation at Washington the following note, to be delivered personally to the Secretary of State:

"Haitian Legation, Washington, 037. In the name of the Government go in person without delay and transmit personally and in writing to the Secretary of State the following note:

[Here follows the communication embodied as a subquotation in the Department's telegram of November 30, 2 p.m., to the Minister in Haiti, printed on page 311.]

This note was delivered to the Secretary of State at the interview which he granted to the Chargé d'Affaires of Haiti, November 27, 1918.

On November 30 the Secretary of State sent, in reply, to the Haitian Legation at Washington a note in which he asked the Haitian Government, in view of the very serious scope of the general charge against the American officials in Haiti, to make a more precise and detailed declaration in regard to the questions set forth in the note of November 20, 1918. This note was worded as follows:

"The Secretary of State presents his compliments to the Chargé d'Affaires *ad interim* of the Republic of Haiti, and has the honor to acknowledge the receipt of his Note dated November 20, 1918, in which, by the express direction of his Government, the Chargé d'Affaires set forth certain complaints against the actions of American officials in contravention of the Treaty of 1915 between the Government of the United States and the Government of Haiti, and in which the Haitian Government expressed its conviction that the Department of State will see fit to take steps toward meeting the legitimate desires of the Haitian Nation.

In addition to the general accusations of the Haitian Government in respect to the "vexatious and unjust tyranny of American officials" in Haiti, the Department of State notes that the Haitian Government is of opinion that United States Government is not completely informed regarding the true situation in Haiti. Pursuant to these affirmations and in view of the very serious import of general indictment of American officials in Haiti which the note afore mentioned contains, the Government of the United States desires the Government of Haiti to make a more precise and detailed statement in regard to the matters set forth in the note of November 20, 1918.

(Signed) Robert Lansing

Department of State,
Washington, November 30, 1918."

It is in response to this request of the State Department at Washington that the Department of Foreign Affairs of Haiti is sending it the present Memorandum, in which will be embodied only the incidents between the American officials in Haiti and the representatives of the Haitian Government which necessitated the sending of the note of November 15 [*20*], 1918.

The first solicitude of the Haitian Government after the promulgation of the Constitution on June 19, 1918,[21] was to restore the Council of State and to convoke it in legislative session, which was done on the first of July following.

The chief object of a legislative session is to examine and vote on the budget. Consequently article 116 of the Constitution imposes upon the Secretary of Finance the obligation of submitting to the Legislative Bodies the general accounts and the various departmental budgets, at the latest within a week after the beginning of the Legislative Session.

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[21] *Foreign Relations*, 1918, p. 487.

The Secretary of Finance found it impossible to obey this constitutional provision because Mr. Ruan, for reasons which he did not deem it necessary to explain to the Haitian Government, was absent from his post.

In various interviews which the Secretary of Foreign Affairs had occasion to hold with Mr. A. Bailly-Blanchard, E.E. and M.P. of the United States at Port au Prince, he took pains to call his attention to the evils of such a situation. The President of the Republic himself also personally so observed to the Receiver General A. J. Maumus during a conversation at the National Palace. The President pointed out to the Receiver General the embarrassment caused the Government by the prolonged and in our eyes unjustified absence of the Financial Adviser, whose recommendations were necessary in order to enable the Department of Finance to present the Budget of the Republic to the Council of State.

Mr. A. T. Ruan, Financial Adviser, consented to return to Haiti only at the urgent request of our Minister at Washington, to whom the Haitian Government had telegraphed on August 6 and September 2, 1918, to hasten the return of the Financial Adviser. But when Mr. A. T. Ruan, Financial Adviser, arrived at Port au Prince, on September 11, 1918, the Legislative Session, whose constitutional duration is three months, was about to terminate and the Haitian Government was obliged, pending the receipt of communications from the Financial Adviser, to prolong the session one month. A few days after his arrival the Financial Adviser received copies of the various budget drafts and financial bills accompanying them.

In his letter of October 12 (the new fiscal year having begun on the 1st), the Financial Adviser transmitted to the Secretary of Finance, *for enactment into law as they were, without any modification whatever:* 1 A memorandum embodying a lump estimate of the customs and miscellaneous receipts, and a statement of the amounts which the Financial Adviser, without any previous examination in company with the Secretary of Finance, assigned on his own sovereign authority to each Ministerial Department for the expenses of the new fiscal year; 2 Two financial bills fixing the receipts and expenditures of the Government and in which the Financial Adviser attributed authority to himself far exceeding that granted in the Convention of September 16, 1915.

For numerous reasons the Government could not accept this suggestion of the Financial Adviser to present the bills as transmitted by him. The principal reasons were as follows:

A. The determination of the amounts allowed to each Ministerial Department, as it had been made by the Financial Adviser, revealed

an absolute disregard of the needs and necessities of our various public services.

In order to remain within the limits of the appropriations granted by the Financial Adviser it would have been necessary to disorganize services established by the law and to abolish obligatory expenditures imposed by contract, as, for instance, in the case of the Department of Public Worship, the salaries of certain members of the clergy as provided in the Concordat signed between His Holiness the Pope and the Haitian Government.

In order that this fact might be plainly demonstrated to the Financial Adviser, the Secretary of Finance invited him to a conference with the Departmental Secretaries concerned, but *the Financial Adviser eluded this.*

It is important to remember furthermore that the Financial Adviser had not submitted any budget draft, having been content to indicate the figures which he claimed were based on the expenditures of the last fiscal year and which a careful examination made at the Office of the Receiver General of Customs *had shown to be incorrect.*

In spite of this duly acknowledged inaccuracy, the Financial Adviser still adhered to his figures.

As the Financial Adviser avoided any conversation which would have enabled an understanding to be reached, the Departmental Secretaries were obliged to set to work alone in order to try and come as near as possible to the lump sums fixed by Mr. A. T. Ruan, whence there necessarily arose a new delay in the presentation of the budget to the Council of State.

Could this delay be justly imputed against the Haitian Government?

B. The General Budget of the Republic must embrace, in its aggregate and in its details, all the receipts and expenditures occurring on behalf and on account of the Haitian Nation. This is an essential prerequisite for the veracity of the budget and without which it would be impossible to realize the true financial situation of the country, that is, whether there were an even balance, a surplus, or a deficit. Now, in the table of expenditures the Financial Adviser had failed to include the expenses of the Receiver General of Customs.

C. By virtue of the compromise signed at Washington on July 10, 1916,[22] the treasury commissions of the National Bank of the Republic of Haiti are included within the 5% allowed to the Receiver General under Art. VI of the Convention. In the draft of the Financial Adviser these commissions were, contrary to said compromise, calculated outside the 5%. It is evident that if the 5% provided in

[22] *Foreign Relations*, 1916, p. 358.

Art. VI of the Convention were not sufficient to pay the allowances of the Office of Financial Adviser and of the Receiver General, as well as the treasury commission of the Bank, the Haitian Government would reach an understanding with the United States Government in order to meet the deficiency. But it would first be necessary for the Haitian Government to be enabled to know the annual amount of this 5% and the use made thereof. In other words it would have to be able to keep check upon the applications of the moneys coming from this 5% to the salaries of the Financial Adviser and the Receiver General and to those of their assistants and employees.

D. In regard to receipts the Financial Adviser had confined himself to indicating the figures, without giving the details necessary for the preparation of the budget on ways and means. He committed the error of representing in gourdes, in the miscellaneous receipts, the duties fixed in American gold by the law.

In Article VI of his draft for the financial law the Financial Adviser spoke of export duties in *gourdes*, besides the pilotage and harbor dues which are to be paid in gold. There are no export duties in gourdes in the Haitian tariff.

Could the Haitian Government be compelled to assume the responsibility for such errors by approving them with its signature?

Moreover, the Financial Adviser included, among the Ways and Means to serve to cover the expenses of the fiscal year 1918–1919, some *probable* receipts to be derived from new taxes which had not yet been examined.

It was not till October 24, 1918, that the Financial Adviser transmitted to the Secretary of Finance a long draft creating so-called internal revenue taxes. This draft, written entirely in English, required much time for translation and still more time for serious study. It was a question of direct taxes to be imposed upon the Haitian people, who are already so destitute and who ought to be taxed only with the greatest considerateness, taking into account their customs. No Government conscious of its responsibilities could accept such taxes with eyes closed.

Under these circumstances what was the value of the estimates of receipts of the Financial Adviser based on conjectural and perhaps inapplicable taxes? Nevertheless he demanded that the Government adopt them without examination or modification!

Although the Financial Adviser had refused to enter upon any discussion for the purpose of arriving at an understanding in regard to the estimate of the receipts and the fixing of the expenditures of the fiscal year 1918–1919, the Haitian Government on its part sought to reconcile as far as possible, at the expense of great sacrifices, its proposed budget with the estimates of receipts and allowances which Mr. A. T. Ruan proposed to fix arbitrarily.

The Heads of the several Ministerial Departments were engaged on this work when, in his letter of October 30, 1918, to the Secretary of Finance, the Financial Adviser asked that the Government have the Budget passed by the Council of State before the termination of the Legislative Session which was to take place on October 31.

In order to have it thus passed it would have been necessary to dispense with any examination by the Council of State and to ask it to adopt the Budget as a whole. Such a demand would have been unconstitutional, for Art. 114 of the Constitution provides that the Budget of each Departmental Secretary shall be divided into chapters and voted on article by article.

It was therefore materially impossible to pass the budget before the adjournment, on October 31, of the Legislative Session of the Council of State.

The Haitian Government was consequently laboring with the greatest activity in order to draw up a budget brought as far as possible within the limits of the figures fixed by the Financial Adviser, who persisted in refusing to permit any discussion on the matter. As soon as the work should be completed, the Council of State was to be convoked anew for the legislative sanction. And the Financial Adviser was kept posted on everything that the Government did in order to solve the grave question of the budget.

The difficult situation created for the Haitian Government by Mr. A. T. Ruan was at this stage when, on November 13, the National Bank of the Republic of Haiti informed the Secretary of Finance that it had received from Col. John H. Russell, commander of the United States forces in Haiti, the following notice: "By virtue of the powers with which I am invested under martial law, I require that you immediately give the necessary instructions to the end that no fund deposited to the credit of the Haitian Government or subject to its control in your Bank or its branches in Haiti be withdrawn without my written order."

On the other hand the President of the Republic likewise received from Colonel Russell the following letter, which explained the military order served upon the Bank: "It has been brought to my knowledge that the action of the Haitian Government in failing to promptly pass the national budget has created a deplorable state of affairs in the finances of Haiti and has resulted in the fact that there do not exist any available funds, otherwise than as ordered by me by virtue of the martial law in order to meet the necessary national expenditures. I have furthermore been informed that the Haitian Government has funds arising from internal taxes on deposit at the National Bank of the Republic of Haiti.

"I am firmly convinced that the objects which the United States Government wishes to have the Haitian Government attain include

the expenditure of its funds under the supervision of the Financial Adviser, and the failure to pass the national budget has unduly prolonged the time when such supervision should have passed into his hands.

"I furthermore believe that it is of vital importance to the Haitian Government that the financial laws, as submitted by the Financial Adviser, should be put at once into force, and I can not too strongly urge you to do this.

"Until the proper measures have been taken I deem it my duty to prevent the disbursement of the funds coming from the internal revenues and hereby inform you that I have on this date ordered the Director of the National Bank of Haiti not to spend any funds of the Haitian Government in his possession except on my written order."

Before all else, before any examination or that[23] of the notice given the National Bank of the Republic of Haiti by Colonel Russell, or that[23] of his letter to the President of the Republic, the Haitian Government wishes to protest against this interference on [*of*] the American military authority in Haiti in a purely administrative question. It protests all the more strongly because Colonel Russell was acting in the case in point solely on the biased say-so of the Financial Adviser, and because, before giving his notice to the Bank and writing his letter to the President of the Republic, he had not at any time sought to procure any information from the Haitian Government on the situation.

This invocation of martial law, the maintenance of which is no longer justified in Haiti, on the part of the Head of the American Occupational Forces in order to support the arbitrary procedure of the Financial Adviser with respect to the Haitian Government, constituted one of those unjust and vexatious acts of which the Secretary of Foreign Affairs complained to the State Department at Washington on November 15 [*20*], 1918.

As regards the contents of the letter of Colonel Russell to the President of the Republic, it is proper to make the following observations:

1. In the third paragraph of this letter,[24] mention is made of the supervision which the United States Government desires to have the Financial Adviser exercise over the expenditures of the Haitian Government. The desire of the United States Government on this point is clearly expressed in Art. II of the Convention of September 16, 1915, defining the powers of the Financial Adviser and the limits within which he is to exercise his functions.

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[23] "Or that . . . or that", incorrect translation of the correlative "*et . . . et*".
[24] Paragraph 2 of the letter as quoted.

The Haitian Government has always respected this clause of the Convention by consulting the Financial Adviser on all questions coming under his jurisdiction. However, it will always consider as a violation of the Convention of September 16, 1915, which it honestly signed with the American Government, any attempt on the part of the Financial Adviser to attribute to himself prerogatives and powers which it was not the intention of the High Contracting Parties to grant this official, since the terms which embodied these prerogatives and powers in the original text of the Treaty were omitted from the final text as signed by the High Parties. As a matter of fact the original text proposed in the convention draft by the American Government said: "The President of the United States shall designate a Financial Adviser for the Government of Haiti who . . . in general shall exercise the functions of a supervisor." The Haitian Government did not wish to accept for the Republic of Haiti a Financial Adviser who should be a supervisor and it induced the United States Government to consent, firstly that the Financial Adviser should be an official attached not to the Republic of Haiti but to the Ministry of Finance, and secondly that his functions as a supervisor should be abolished.

Hence it follows that we can not grant in our laws any powers to the Financial Adviser which were expressly eliminated from the Convention of September 16, 1915, by the High Contracting Parties.

In matters of public expenditure the role of the Financial Adviser consists in establishing the budget together with the Haitian Government and in fixing the expenditures in concert with the Secretary of Finance. Once this has been done the Minister of Finance executes the budget without the need of submitting his orders of payment to the Financial Adviser.

Therefore, when Mr. A. T. Ruan, Financial Adviser, wishes to assume the functions of general supervisor of finances of Haiti he violates the Convention of September 16, 1915. By requiring that his visa be obtained for the orders of payment to be issued by the Secretary of Finance in execution of the budget, the Financial Adviser was trying to subordinate the Minister of Finance of Haiti. This would be contrary to the text and spirit of the Convention of September 16, 1915, and also to article 114, 3d par., of the Constitution,[25] which makes the Secretary of Finance, under *his personal responsibility*, the officer to carry out the budget.

It is necessary to make here a very characteristic observation: At the same time that he wished to impose upon the Haitian Government a supervision which amounted even to mistrust, the Financial Adviser intended to free all the expenditures to be made by the

[25] *Foreign Relations*, 1918, p. 500.

Receiver General of Customs from the rules of Public Account-Keeping, which rules he nevertheless deemed advisable for the expenditures of the Haitian Government; so that two systems of account-keeping would be introduced, one for the use of the Government and the other for the use of the Receiver General, this latter system remaining unknown to the Government and to the Haitian people. The Financial Adviser went even further: He even intended to remove from the supervision of the responsible Departmental Heads the expenditures to be made by the American officials who are in charge of the services of Hygiene and Public Works; these officials were to have a right, without any visa, of drawing checks on the Public Treasury, with the sole obligation of furnishing vouchers at the end of the month to the Secretary of the Interior and of Public Works and nothing more!

And all this the Financial Adviser asked the Haitian Government to enact without examination or modification.

In the fourth paragraph of his letter [26] Colonel Russell urged the President of the Republic to put into effect at once financial laws as presented by the Financial adviser.

The Convention of September 16, 1915, does not empower the Financial Adviser to make laws, nor does the Constitution entitle the Executive to impose upon the Haitian people laws which have not been duly enacted by the Legislature.

The Haitian Government could not agree to obey the imperious injunction, incompatible with its dignity, contained in the letter of Colonel Russell.

Moreover by accepting it it would have violated the Convention of September 16, 1915, as well as the Constitution which governs the Republic of Haiti at the present time.

The Haitian Government must add that the American Legation in Haiti was kept informed of all these incidents, both through conversations with the Secretary of Foreign Affairs and through communication, for the information of the State Department, of all the correspondence exchanged with the Financial Adviser by the Secretaries of Finance and of Foreign Affairs.

However, in the midst of all these difficulties caused and kept up through the sole will of Mr. A. T. Ruan, the incident which was most painful to the Haitian Government was the refusal of the Financial Adviser to pay the funeral expenses of our Minister at Washington and the funds necessary for the sending home of the family of Mr. Solon Menos.

As soon as the painful news of the death of Minister Solon Menos reached Port au Prince, on October 15, 1918, and as soon as our

[26] Paragraph 3 of the letter as quoted.

Legation at Washington, after announcing it to us, had demanded of the Haitian Government the funds in question, the Secretaries of Finance and Foreign Affairs made representations to the Financial Adviser, asking him, in view of the urgency of the case, to pay the necessary funds, which were to be cabled to the Haitian Legation at Washington. Mr. Ruan refused, under the pretext that the budget was not yet passed.

As our Charge d'Affaires at Washington rightly insisted that the money asked be cabled, the Secretary of Finance wrote to the Financial Adviser to inform him of this new request and to remind him again of the urgent necessity of this expenditure. Mr. Ruan again positively refused to pay anything. In order to settle this painful question our Legation at Washington had to go before the State Department and have a formal order sent to Mr. Ruan from Washington, whereupon he consented to pay the funeral expenses of our Minister at Washington and for the sending home of his family.

This attitude of Mr. Ruan, an official under the Haitian–American treaty of September, 1915, contrasted strangely with the touching attitude of the American Government, which, at the same time, was giving a splendid funeral to our regretted Minister and paying the most brilliant homage to Mr. Solon Menos both as a diplomat and a worthy man.

This fact alone ought to suffice to show the spirit in which Mr. Ruan proposed to exercise and did exercise the functions of Financial Adviser.

The Haitian [Government] wishes to mention another regrettable event which occurred at Port au Prince and which emphatically demonstrates the arbitrary manner in which the American officials in Haiti are acting.

A Haitian news journal entitled *Le Nouvelliste* having announced on November 22, 1918, in the most moderate terms and in a dubitative form the recall of the Financial Adviser and having even concluded its notice with praise to President Wilson, the owner of the publication was arrested by the Agents of the Occupation, placed in prison, tried by the court martial, and sentenced to a fine of $300 and the suppression of the paper for three months.

For the edification of all we will reproduce the item in the *Nouvelliste:* "Mr. Ruan recalled.—Mr. A. T. Ruan is said to have been relieved of his duties as Financial Adviser as a result of difficulties with our Government. The recall of Mr. Ruan confirms the sentiments of Right and Justice proclaimed by President Wilson and which, as has often been repeated by the eminent Chief Executive of the United States, ought to constitute the criterion for the relations between all Nations, large and small."

Here again the bare announcement of this act reveals without need of comment the unjust and vexatious tyranny employed by the American officials in Haiti toward the Haitian people.

During the course of these incidents all public expenditures were in abeyance, the Financial Adviser excusing himself for paying nothing under the pretext that the Haitian Government was under obligation to enact immediately without modification the Budget as proposed by Mr. Ruan, with all its errors and inaccuracies.

The salaries for October, 1918, of the Magistrates of the Court of Cassation and the Courts of Appeal, which ought to have been paid on November 1, had not been paid yet by December 1 and were not paid until the month of December.

From all parts of the country came the complaints of the numerous judges to the Haitian Government, their sole means of subsistence being the monthly salary which they draw from the Public Treasury. The salaries for November of all the public employees were paid only on December 7, the Financial Adviser threatening not to pay at all unless his will were accepted.

In the presence of such a situation, created voluntarily by the Financial Adviser backed by Colonel John H. Russell, Head of the Occupying Forces, who arbitrarily invoked martial law against the Government in order to prevent it from availing itself of the funds deposited to its credit in the National Bank, which funds the Convention of 1915 did not place under the control of the Receiver General or of the Financial Adviser and which the Haitian Government has always had at its free disposal, in the presence of this situation the Haitian Government had to yield for the moment to the violent pressure exerted against it, in order to relieve the distress of the public employees and to induce the Financial Adviser to consent to their being paid their meager salaries. Thus, pending appeal to the justice of the American Government, the President of Haiti and his Cabinet had to consent, without any reservation, to all the unqualifiable demands of the Financial Adviser, to which the Colonel gave the support of his authority and power.

Among the demands made it is proper to cite that made of the Haitian Government to inform the United States Legation by letter under date of December 3 that "It is understood that all payments on account of the Haitian Government shall be made with the advice and consent of the Financial Adviser and that, to this end, every order of payment addressed to the Receiver General or to the National Bank of the Republic of Haiti shall first be communicated to the Financial Adviser and shall not be paid without his visa."

However, in writing under such pressure this letter which was contrary to the text of the Convention of September 16, 1915, the Government naturally reserved the right to protest before the American Government, as it is now doing, against the vexatious and unjust tyranny of the American officials in Haiti, who have compelled it to write.

The Haitian Government sincerely believes, and has firm hope that the just and powerful United States Government will be of the same sentiment, that all the incidents which have just been recalled show more plainly than ever, along with other measures to be taken, the necessity of abolishing in Haiti the rule of martial law and courts martial.

Since the American Occupying Forces came to Haiti and restored order it may be said that order has never been perturbed since, and while there have been occasional instances during the last four years of acts of brigandage in the interior regions of the Republic (such as no country is exempt from), the Government of Haiti may say without fear that the maintenance of order has been constant in Haiti.

Under these circumstances the Haitian Government believes it is entitled to ask the United States Government once more to abolish martial law and courts martial in Haiti and to restore the normal rule of freedom as existing in countries where order and quiet prevail.

The reception which the United States Government has always accorded to every just and equitable demand, as well as the manner in which the honorable Head of the Department at Washington received our note of November 20, 1918, warrant the Haitian Government in hoping that, in these days of joy when the whole world is celebrating the Victory of Right and Justice of which the Illustrious Head of the American Nation has always been one of the most eloquent defenders, right and justice will be done to the complaints hereby formulated by the Haitian Republic.

838.00/1565 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *March 20, 1919, noon.*

1193. Your 1170 March 14th, 11 P.M. and your 992 March 2nd, 10 A.M.[27]

The considerations set forth in your cables have been cabled the American Minister in Haiti and he has been instructed to discuss them at conference of treaty officials.

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[27] Neither printed; for substance, see telegram of Mar. 20, 6 p.m., to the Minister in Haiti, *infra*.

The Department is not, however, of the opinion that "gendarmarie has proved its ability to handle almost any situation in the Republic." On March 15th the Legation in Haiti cabled "During the past three months the number of bandits have increased in the mountains. Steps have been taken to replace the gendarmarie [in towns by marines] in order that the full force of the gendarmarie can be advantageously employed at chasing down the bandits." If the occupation were replaced by a mere Legation guard it is obvious that the marines could not be used for this purpose and it is probable that banditry would become very serious. Owing to the present situation General Catlin has requested another battalion of marines and General Barnett has informed the Department that this battalion would be sent immediately. Catlin's telegram reads as follows:

"Request increase Brigade by at least one Battalion of Marines. Bandit band[s] have increased to such an extent that Gendarmes are unable to put them down. Due to lack of work and financial situation making it impracticable to reduce the present garrison, unrest in Port au Prince, Haiti. A number of proclamations posted last night, reviling the United States and President Wilson, and calling on Haiti to drive the invader out. Bandits operating principally in Hinche and Mirebalais, Las Cahobas district. Have sent Marines to Saint Michel, Maissade, Hinche, Thomonde, and Las Cahobas. Will send one more company from Cape Haytien, Haiti to the affected district. This will leave only one company in Cape Haytien. As yet disturbance apparently not political, but it is liable to become so."

Mr. McIlhenny [28] is very doubtful whether the conditions of the proposed protocol [29] could be carried out if the occupation should be changed to a Legation guard and martial law abolished. He especially desires that banditry should be kept well in hand in Haiti at this time in order that news of this increase may not prevent a market for Haitian bonds in the United States.

POLK

838.00/1563 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *March 20, 1919, 6 p.m.*

Confidential. The American Mission in Paris has informed the Department that the Haitian Minister to France, who is also delegate to Conference, has spoken with Mr. Lansing regarding Haiti's desire that American occupation be withdrawn from Haiti, but Haitian Minister stated that his Government had understood that

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[28] John A. McIlhenny, successor of A. T. Ruan as Financial Adviser of the Haitian Government.

[29] Protocol for the establishment of a claims commission and for a loan, signed Oct. 3, 1919; see pp. 340 ff.

as soon as the Treaty in 1916 [*1915*] was signed and the Gendarmerie established the occupation would be withdrawn. Several representations were made to the Department in 1916 and 1917 in this connection [30] but as it was unwise to change *statu*[*s*] *quo*, before it was seen how well the Gendarmerie would be able to control the situation, the Haitian notes were not given a definite answer. After the outbreak of war it was, of course, impossible for military reasons to make any change in conditions.

The American Mission is now of the opinion, however, that since the signature of peace is not far distant the same excuse cannot be advanced and that in view of the fact that the Gendarmerie has proved its ability to handle most any situation in the Republic, if it has the knowledge that there are some American Marines on the island, it would seem impossible to continue the occupation in its present form without subjecting the United States to much criticism particularly as the rights of smaller nations are being kept to the fore and in the light of the President's utterances the Mission is therefore of the opinion that co-incident with the signature of peace a change to the status of a Legation Guard would have an excellent effect. It is thought that by such action the Legation will be strengthened and the Gendarmerie will be morally supported by the presence of the Marines. It is argued that the same result would thus be obtained without the continual claim on the part of the Haitian Government that the United States is keeping a military control over them. In case of trouble the threat could be made that the United States again will occupy Haiti and place it under Martial law in order to carry out its Treaty obligations.

You are instructed to bring up these conditions at a Conference of Treaty officials and cable the Department the Conference's opinions. The Department believes that the increase in banditry mentioned in your March 15, 12 noon [30] should be taken into consideration in judging whether the Gendarmerie has proved its ability to handle any situation in the Republic.

. . . . . .

POLK

838.00/1577 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *April 5, 1919, 10 a.m.*
[*Received April 6, 8 p.m.*]

Department's confidential March 20, 6 p.m. complied with. The consensus of opinion of the treaty officials is that the time has not yet

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[30] Not printed.

come when the occupation can safely be withdrawn, especially in view of the statement of the Chief of the Gendarmerie that the Gendarmerie is unable to control the situation so far as brigandage is concerned even with the support of the presence of the troops of the occupation, much less without such support. In the opinion of the conference, the withdrawal of the occupation at the present time would undoubtedly result in a serious revolution, probably resulting in the downfall of the present Haitian Government in a very short time. I fully concur in the above. . . .

BLANCHARD

838.00/1578

The Haitian Minister (Moravia) to the Acting Secretary of State [31]

[Translation]

WASHINGTON, *April 5, 1919.*

MR. SECRETARY OF STATE: Confirming the conversation which I had the honor to have with you yesterday morning, and keeping the promise then made to you, and also acting under the instructions received from my Government, I have the honor to bring the following facts to your knowledge:

Since September of last year, outlaw bands, defying the established authority and order of things in Haiti, are overrunning the fields of Hinche, Mirebalais and Lascahobas. Finding encouragement in the Gendarmerie's inability or negligence to suppress their activities, those bands have grown so large as to constitute a serious threat to public order. They have moved forward as far as Grand-Bois and Savanette, have tried to cut off Port-au-Prince from the Plain of the Cul de Sac, where they have already started several fires. Many Haitians have been the victims of those outlaws who rob the peasants, spread terror, plunder and [hold for] ransom all whom they meet and kill those who will not join in the movement.

My Government finds the situation all the more alarming as the Haitian politicians who oppose their Government and the American Occupation do not fail to give moral encouragement to the folly of those illiterate countrymen and to fan those disturbances by launching throughout the territory a propaganda which creates a feeling of unsafety and unrest which, if it spreads, will in the end paralyze national life and work a fatal effect on the business of a country that is so sorely tried.

The worst feature of this outlaw movement is that it assumes, in growing, a character of a struggle for freedom, of an active claim for ignored and trampled rights.

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[31] Copy of translation transmitted to the American Minister in Haiti (Bailly-Blanchard), April 23, 1919, for consideration and comment of himself and treaty officials.

Confronting such a situation, my Government deems it a duty to draw the Department of State's earnest attention to those regrettable events, and to ask it to direct such measures as will restore order and above all prevent a recurrence of those outlaw acts.

But my Government also deems it proper to point to what, in its opinion, and from the experience it has of the manners and mentality of the Haitian people, has caused, if not the movement itself, at least its easy and speedy propagation.

The movement may be traced to some [former] military chiefs dissatisfied with the present regime who have assumed a position of rebellion; but they would not have dared take that position if there had not been among the country people a dissatisfaction and resentment, in which they found the assurance of the neutrality and passiveness of those people. It would not be out of place to recall the fact that when General Codio, after the coup which he attempted at Port-au-Prince in 1916, repaired to the Plain, he was ferretted out by the Haitian country people themselves and was arrested and delivered to the authorities by a Haitian who did not belong to the Gendarmerie. The reason is that the rural masses, glad of being rid of the tyranny of Haitian military chiefs who robbed and ill-treated them, were inclined to cooperate with the American element in maintaining order and preventing the return of a regime which had brought so much suffering upon them. Today, the sentiment of those masses has unfortunately changed and that accounts for the daring and success of the outlaws.

The cause of that disaffection in the country lies in the brutality and injustice of the Haitian gendarmes whose morality is far below the expected standard. They improperly used personal property of the countrymen who do not know where to lodge a complaint, and when they do [complain,] rarely obtain justice, if ever, because they are illiterate, do not speak or understand English, and that the American officers give more credence to the reports of the gendarmes under them. This often recurring injustice, the system of the "*corvée*" (compulsory work in the building of public roads) have had the effect of estranging almost altogether the good will of the country people upon which peace in the fields could rest more securely than on the vigilance of the police.

If the movement is receiving moral encouragement from selfish politicians who make it their business to stir up an insurrectionary spirit, who are the sworn enemies of both the Haitian Government and the American Occupation, it is because those politicians themselves find support in the discontent of the people of the towns and of the bourgeois. Among those more enlightened people the complaints are not aimed at the Gendarmerie but at the Occupation proper. As for the many causes of discontent, we must name:

1–The maintenance of martial law without grounds, since 1916, after the full pacification of the country, and as a consequence of the system, the jurisdiction of the Gendarmerie Courts over cases which should be referred to the ordinary courts.

2–The excessive severity of those Gendarmerie Courts, imposing sentences entirely out of proportion with the offense charged. To cite but one instance, the Henri Chauvet case, mentioned in my Government's memorial dated January 25,[32] and filed in the Department of State on February 14 last, will be quite sufficient, and there are many others.

3–The violation of the Haitian Constitution and of the Convention of 1915 by the American officials.

4–The non-payment of the interest on the public debt of Haiti for years past, which cannot be understood as it is known that in the worst days of the history of Haiti, the service of interest on the public debt, both foreign and domestic, was carried on rather regularly.

The non-payment of the interest bears largely upon the trade, and a certain part of the Haitian bourgeoisie who own securities, and drew their only livelihood from the income which those securities brought them. Many foreigners also own Haitian securities, and their dissatisfaction cannot fail to work a regrettable influence on the Haitians, for those foreigners, if not hurt in their patriotism, are hurt in their purse, and contribute to increase the peoples resentment against the new regime.

5–The low salaries paid to Haitian officials, considering the high cost of living since the European war, and the high salaries allowed to American officials.

6–The total disregard for public opinion on the part of the American Occupation, and the utmost neglect of any means of propaganda (through the press, moving pictures, or otherwise) which might give birth to, or maintain the confidence of the Haitian people in the American undertaking.

7–The systematic refusal on the part of the American Occupation, to take into account the opinions of the Haitian Government, which has a better knowledge of the needs of the people, of their mentality, and knows how to make acceptable to them such reforms as might be tried for their welfare.

8–The fact that work on reconstruction and restoration undertaken by the American Government is barely outlined, and that after three years and a half have gone by, we are still waiting for the most important reforms, such as the consolidation of the public debt, the building of public schools, professional and agricultural schools, the revision of the customs tariff, all of which are needed

[32] Memorial printed on p. 317.

for the upbuilding of Haitian finance and the making of new generations that must be prepared to have a part in the evolution of the country.

It need hardly be said that my Government, witnessing the delay suffered in this urgent work of reconstruction, which forms the basis of the Treaty of 1915, does not fail to allow for circumstances. It is fully aware that since the Americans undertook to assist in restoring Haiti, its attention was averted by the European war, which forced a concentration of its activity and energy on very complicated problems, and that at this very moment, the most important questions, upon which hangs the fate of all mankind, are engrossing its attention; but while my Government realizes this, and finds therein a reason for adhering to its confidence in the greatest of the republics, the Haitian people, less conversant with the world events, and goaded by need and suffering, wonder at the slow progress made, lose patience and begin to doubt.

There is a sane, unbiased part of the Haitian people (and it forms the majority) which seeks nothing but to cooperate with the American Government and the Occupation in uplifting the country. That element does not fail to appreciate the happy results achieved under the new regime, such as the maintenance of peace, the construction and repair of roads, the improving and sanitation of cities, the regular payment of their salaries to government officials; but, on the other hand, the satisfaction given by that progress is not enough to offset, for those Haitians, the deprivations of certain liberties guaranteed by the Constitution, nor the ill-treatments which they undergo, or to which they are all the time exposed, and they do not find therein consolation for their Government's failure to obtain for them a fuller measure of justice, safety and liberty.

Those are the reasons why my Government has decided to make a last appeal to the American Government. It instructs me to declare that it has nothing more at heart than to cooperate with the Government of the United States, whose good faith and noble intentions it does not doubt. But we are confronted by facts which justify the complaints repeatedly made by my Government to the Department of State, when it begged it to pay attention to these grievances, and remedy the evils which unjustly weigh upon the Haitian people.

The facts complained of time and again are now bearing the fruits which might have been logically expected, and my Government deems it its duty once more to raise its voice, and hopes that the Department of State will kindly bestow its high attention on the question that is growing worse.

My Government already regrets the necessity of using force to suppress the above mentioned outlawry, moved not by any compassion for those who create the disturbances, but by the fact that many

innocent men will pay with their lives the penalty of being taken with arms in hand, although compelled to take up arms so as to save themselves from slaughter by the outlaws, against whom the police could not protect them. The movement will be suppressed, but is it not a matter of the highest regret that the cost will be many Haitian, many American lives, and heavy losses in money and property? Again, at this time when American capital is beginning to be drawn to Haiti, where it is so much needed for the development of its commerce, industry, and agriculture, what will be the disastrous effect of reports of disturbances and movements, which can only be over come by the force of arms! How much preferable would true peace have been, that which rests on the satisfaction of the governed, on the spirit of justice by those who wield authority and use force to protect freedom!

That is the reign of justice to all Haitians, from the highest to the lowest rung of the social ladder, that is yearned for by my Government, which is still convinced that the American Government will omit nothing that may be required to insure to the people of Haiti the well-being upon which they have a right to depend when placed under the protection of the American people, the honored champions of civilization, defenders of the rights of humanity, who, after securing in their Constitution the right to the pursuit of happiness, cannot but favor, wherever their influence is exercised, the enjoyment of that right.

What the American element in Haiti needs, more than force with which to maintain order and guarantee peace, is a knowledge of the true needs of the people, their mentality, the means apt to lead it in to better paths without uncalled for violence; in other words, good heartedness, psychology, active sympathy and productive interest are needed more than military power. Rapid progress would be made for the great good of the Haitian people when that truth is acknowledged. My Government believes it cannot repeat it too often, desirous as it is above all to enlighten the Government of the United States on that point, as is its natural role and most arduous duty, and so contribute to secure to the American people the gratitude, friendship and devotion of the Haitian people, which will be the greatest title of glory to the eye[s] of the whole world, as is the sentiment of the people of Cuba and of the Philippines.

My Government, relying on the good faith of the Government of the United States, cannot [but] ascribe the present condition of things in Haiti, and the continuance thereof, not to say its aggravation, to a lack of information as to the true character of the Haitian people and of the conditions in which they find themselves,

disappointment following disappointment and continually driving them to discouragement, not to say despair.

In making this supreme appeal, my Government hopes that its voice will be heard, and that the Haitian people will not regret having waited so long for the beginning of the new era that has been promised to them. My Government will then gladly and proudly carry out the part which consists in assisting in every way at its command in the undertaking of uplifting Haiti, materially, intellectually, and morally.

The foregoing are the views of my Government, which it has instructed me to make known to the Department of State, and should there be any point upon which the Department of State should wish fuller information, I shall be very glad to supply it.

I gladly take [etc.] [CH. MORAVIA]

711.38/133 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *August 21, 1919, 4 p.m.*
[*Received August 22, 8.25 p.m.*]

The Haitian Government having caused to be passed number of laws without the approval of the Legation, in violation of the agreement of August 24, 1918,[33] I have notified the Haitian Government that these laws will not be recognized as law by the Government of the United States and have instructed the treaty officials concerned to act accordingly. These laws are on pensions, trade-marks, mining concessions, railroads, primary education, preparatory manual training, and dwellings, automobiles, typewriters etc.

BLANCHARD

838.00/1596

The Secretary of State to the Haitian Minister (Moravia)

WASHINGTON, *October 10, 1919.*

SIR: I have the honor to acknowledge the receipt of your note of April 5, 1919, in which, under instruction of your Government, you present a statement of various matters alleged as complaints against the existing situation in Haiti and apparently charged to be due to the American officials in that Republic.

Your note has been carefully considered by the proper authorities, and I have now the honor to take up the complaints and charges in the order made.

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[33] *Ante*, p. 309.

You state that outlaw bands are overrunning portions of the Republic, and that they find encouragement in the negligence or inability of the Gendarmerie to suppress their activities.

This Government has been unable to find any evidence showing that banditry is encouraged by the negligence or inability of the Gendarmerie; on the contrary, the suppression of this offense is being pursued with determined energy and it is believed that it will be accomplished in the near future. It may be remarked that banditry has existed in Haiti for many years past.

You add that the situation is rendered worse by the fact that Haitian politicians who oppose their Government and the American officials morally encourage the folly of their illiterate fellow countrymen and extend the disturbances by launching a propaganda creating a feeling of unrest which tends to paralyze national life.

This fact is regrettable, but it is not seen that it can be charged against the American officials.

You charge as a reason for the success of the above propaganda that the population is dissatisfied with and resents "the brutality and injustice of the Haitian Gendarme[s] whose morale is far below the expected standard".

The Gendarmes have been recruited from the best element of the Haitian population and while their experience is below what would be desired, it is hoped that with years of training it may be found possible to obtain an intelligent and well disciplined force.

In reply to your assertion that the illiterate country people are unable to obtain justice, it may be pointed out that the Gendarmerie is not responsible for this, it being a matter for the courts of justice. The *corvée* to which you refer as another source of dissatisfaction has been suppressed.

You say that the maintenance of martial law, without grounds, since 1916, after the full pacification of the country, also causes discontent; but, as you have before observed, banditry still exists, although the troops have been used in support of the Gendarmerie in the attempts made to suppress it. It remains therefore as yet impossible to discontinue martial law. The Gendarmerie have never had any jurisdiction over the Haitian courts.

You refer to the "excessive severity" of the Gendarmerie or Provost Courts and cite as an instance thereof the case of Chauvet. In regard to this case it may be stated that the sentence is considered as in all ways a proper punishment of the offense committed.

You allege that the American officials have violated the Haitian Constitution and the Convention of 1915 between the United States and Haiti. No instances of these alleged violations are specified, and this Government has no knowledge of such alleged violations.

You complain of the non-payment of the interest on the public debt of Haiti.

This Government is advised that the income of the Republic has not been sufficient to pay the running expenses of the Government and the interest on the debt, and while the Government's expenses have been cut down to the lowest possible figure, it has been found so far impossible to meet the necessary expenses and pay the interest on the debt.

You refer to the low salaries paid to Haitian officials which course of action you say causes much complaint in view of the high cost of living since the war.

At no time in recent years has the income of the Haitian Government been such as to warrant any increase, but nevertheless in view of the increased cost of living, the Financial Adviser in the 1920 Budget authorized an increase of 19% in the salaries of the officials of the various ministerial departments.

In addition the following increases have been made in the Budget:

Judiciary. Supreme Court and Courts of Appeal, an increase in salaries of 55%. Justices of the Peace, an increase in salaries of 35%. Public Instruction. New Industrial Schools an increase of $598 monthly and Primary Schools, increase in salaries of teachers, 25%.

You allege that the American officials show a total disregard for public opinion and that they neglect entirely any means of propaganda (through the press, moving pictures, or otherwise) which might develop and maintain the confidence of the people of Haiti in the American undertaking.

The Treaty officials maintain that this allegation is unfounded, as they have constantly endeavored to explain to the public through the press the principles underlying the various improvements which have been initiated.

You allege further that the American officials systematically decline to pay any attention to the advice of the Haitian Government which has a better knowledge of the needs of the people, of their mentality, and knows how to make acceptable such reforms as might be tried for their welfare.

The Treaty officials regret that they are compelled to regard this allegation as lacking foundation.

You state that it is a fact that work on reconstruction and restoration, undertaken by the Government of the United States, is barely outlined, and that, after three years and a half, Haiti still awaits the most important reforms, such as the consolidation of the Public debt, the building of public schools, professional and agricultural schools, and the revision of the customs tariff.

The Government of the United States regrets to be compelled to say in reply that the Treaty officials report that officials of the Government of Haiti are largely responsible for this situation, as though their attitude, which is constantly obstructive, they have rendered impossible speedy amelioration of the conditions above mentioned.

You say:

"There is a sane unbiased part of the Haitian people (and it forms the majority) which seeks nothing but to cooperate with the American Government and the Occupation in uplifting the country. That element does not fail to appreciate the happy results achieved under the new regime, such as the maintenance of peace, the construction and repair of roads, the improving and sanitation of cities, the regular payment of their salaries to government officials, but on the other hand the satisfaction given by that progress is not enough to offset for those Haitians the deprivation of certain liberties guaranteed by the Constitution, nor the ill-treatment which they undergo, or to which they are all the time exposed, and they do not find therein consolation for their Government's failure to obtain for them a fuller measure of justice, safety and liberty."

The Treaty officials report to the Department that they have no knowledge of any facts, on which the charges immediately above quoted can be based, except the fact that Haitian officials have, as previously stated, often failed to cooperate with the Treaty officials, and have thus made themselves largely responsible for the delay in the amelioration of the conditions of which you complain.

You say that your Government regrets the necessity of using force to suppress banditry, not because it is moved by compassion for those who create the disturbances, but by the fact that many innocent persons will pay with their lives the penalty of being taken with arms in their hands.

The Government of the United States also regrets that banditry exists in Haiti and that its suppression must entail the loss of human lives, but your Government in the first portion of your note has energetically demanded its suppression and the Government of the United States is equally determined to break up the outlaw bands.

You appeal to this Government to see that justice shall reign in Haiti.

The Government of the United States desires to point out in reply that the courts of Haiti are open and are solely under the control of the Government of Haiti.

You add,

"What the American element in Haiti needs, more than force with which to maintain order and guarantee peace, is a knowledge of the true needs of the people, their mentality, the means apt to lead it into better paths without uncalled for violation [*violence*]; in other words, good heartedness, psychology, active sympathy and productive interest are needed more than military power. Rapid progress would

be made for the great good of the Haitian people when that truth is acknowledged."

It is pointed out by the Treaty officials in reply that they are well aware of the needs of the Haitian people and of their mentality, but that, without the constant cooperation of the officials of the Government of Haiti, they cannot expect to improve conditions in the Republic as rapidly as they had hoped or desired.

Permit me to express the hope that your Government will see the advisability of appointing officials who will lend efficient assistance in this respect.

Accept [etc.] ROBERT LANSING

838.51/840

The Secretary of State to the Haitian Minister (Moravia)

The Secretary of State presents his compliments to the Minister of Haiti and has the honor to acknowledge the receipt of his note of February 14,[34] transmitting a memorandum of January 25, 1919, in which the Haitian Government requests that attention be given to certain acts of the Financial Adviser of Haiti.

According to information which the Department has received, question as to the control of the Financial Adviser over the finances of the Republic of Haiti has been decided in favor of the contention of the Financial Adviser and is no longer seriously questioned by the Haitian Government.

The Secretary of State is further informed that the complaints of the Haitian Government of the administrative acts of the former Financial Adviser and his general administrative policy toward the Haitian Government, have been resolved since the receipt of the note of the Minister of Haiti of February 14 last.

WASHINGTON, *November 7, 1919.*

AGREEMENT BETWEEN THE UNITED STATES AND HAITI, OCTOBER 3, 1919, FOR THE ESTABLISHMENT OF A CLAIMS COMMISSION AND FOR A LOAN OF $40,000,000

838.51/807 : Telegram

The Minister in Panama (Price) to the Acting Secretary of State

PANAMA, *February 24, 1919, 3 p.m.*
[*Received 9.45 p.m.*]

Your January 27, 4 p.m.[35] From Ruan.[36]

"Department's number 244, of January 6, 1919[35] received by me February 20th. The condition of the Haitien finances in September

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[34] *Ante*, p. 316.

[35] Not printed.

[36] Mr. Ruan left Haiti on Jan. 23, to assume the duties of Fiscal Agent of Panama; the instruction requesting him to report on Haitian debts was forwarded to him there.

1915, when taken in charge by American naval authorities, was such as to render it impossible to provide for the absolutely necessary expenses of Government and at the same time meet the fixed charges on the public debt. For example, the interest and amortization on the three loans, which are the subject of the note from the French Ambassador,[37] alone amounted to francs 8,517,500 annually while other loans and contracts similarly guaranteed by the allocation of specific revenue brought the total of such allocations to approximately 75 per cent of the entire revenue of the Government. To end this situation, the Haitian Government early in 1917 requested the good offices of the Government of the United States to assist it in securing a loan of $30,000,000 with which to refund its existing debt and negotiations were commenced in Washington, D.C. with the French Government with the view of ascertaining the terms on which the Haitian bonds held by French nationals might be repurchased. These negotiations were progressing favorably until the entry of the United States into the war compelled the bankers who were considering the loans to defer their participations therein. Again in 1918 an effort was made by the undersigned on behalf of the Haitian Government to secure the loan necessary to adjust the debt of Haiti, but conditions then existing prevented the matter being brought to a successful termination.

For the three years subsequent to September 1915 the finances of Haiti have been very adversely affected by conditions due to the war, the lack of adequate shipping facilities, and the embargo placed by the French Government on importations of coffee caused a large curtailment in coffee shipments which yield three cents gold per pound to the Haitian treasury so that notwithstanding economies effected in public services, the income has been insufficient after defraying necessary expenses of operation to meet the heavy charges entailed by the public debt. However, there has been realized a fund of more than $1,000,000 which is held by the General Receiver of Customs for the debt. Adjustment, since October 1918, of revenues of Haiti have shown a most gratifying increase due principally [to] the success of arrangements effected for the movement of the coffee and in view of the termination of the war a continued improvement may be anticipated. Thus it would appear possible at a near date to effect an adjustment of the Haitian debt preferably by negotiating a refunding loan or failing in this by resuming payments on account of existing loans.

In respect to the National Bank of Haiti, negotiations conducted in January last between Minister of Finance of Haitian Government and manager of the bank resulted in a tentative basis of agreement

[37] Not printed.

being reached which manager of bank cabled to Paris with recommendation that he be authorized to sign on behalf of bank. At the time of my leaving Haiti no reply had been received but if manager's recommendation is accepted by his board of directors no obstacle to a settlement of all differences between bank and Government is apparent. The demand upon the bank for $500,000 referred to in the note of French Ambassador was without my knowledge or approval and I assume was during the period that Minister Borno held the portfolio of finance. Ruan."

PRICE

838.51/825b

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *March 20, 1919.*

SIR: I am enclosing herewith the draft of a protocol between the United States of America and the Republic of Haiti.[37] This protocol has been drawn up in pursuance of the objects of the treaty concluded September 16, 1915,[38] between the United States and Haiti to establish the finances of Haiti on a firm and solid basis, and with the purpose of carrying out the objects of the foregoing treaty and giving effect to Article XII thereof.

You are instructed to initiate negotiations with the view to securing the consent of the Haitian Government to the protocol.

I have [etc.] FRANK L. POLK

838.51/842 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *April 30, 1919, 3 p.m.*
[*Received May 1, 7.30 p.m.*]

Department's unnumbered despatch March 20. Result of preliminary negotiations with President of the Republic Haiti, following changes in protocol, suggested by him, concurred in by Financial Adviser and me, submitted for Department's approval:

Article 2, seventh line, after the word "Haiti" eliminate "with the approval of the Financial Adviser." It was agreed that person appointed shall meet approval of American Government.

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[37] This draft was agreed upon in the meetings of Feb. 24–27, 1919, referred to in footnote 57, p. 362, and was taken to Haiti, with the covering instruction to the Minister, by the Financial Adviser. The draft is not printed, as it is substantially the same as the final text, p. 347, except for the alterations accounted for in the intervening correspondence.

[38] *Foreign Relations*, 1916, p. 328.

Article 3, number 3, first line, after the word "interest" insert "as this sum will have been verified and admitted by the Financial Adviser."

After number 4 add number 5 and 6 as follows:

"(5) The bond issues A. B. C. interior debt."

"(6) The Claims passed upon by the Féquière Commission."

This commission was presided over by Mr. Fleury Fequiere, now Minister of Finance, the personnel of which was approved by the President and result of whose work must be approved by Financial Adviser.

Article 4, third line, after the word "elsewhere" insert "in the Republic of Haiti."

Article 9, third line, after the word "authorized elsewhere" [*sic*] insert "after the approval of the Secretary of State for Finance and the Financial Adviser."

Article 11, third line, after the words "and by the" insert "Secretary of State for Foreign Affairs, representing Government of Haiti." Eliminate balance of paragraph.

Respectfully request instruction as to designation by the Secretary of State of representative of the United States in conformity with article 11.

BLANCHARD

838.51/842 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *June 7, 1919, 5 p.m.*

Your April 30, 3 p.m. Suggested changes in protocol are acceptable except those excluding from jurisdiction of Claims Commission bond issues A, B, C, internal debt, and claims passed upon by Féquière Commission. No sufficient reason is seen for according special treatment to bond issues A, B, C, as compared with other internal bond issues, especially in view of your statement [39] that part of issue B and more than 50 per cent of C were paid for by paper of questionable character. Department believes that such matters are suitable for submission to the Claims Commission. As to claims presented to Fequiere Commission Department feels that all claims against Haiti should be adjusted on the same basis in order to prevent complaints that some claimants were more favorably treated than others. Payment in full of awards of Féquière Commission without scrutiny by the protocol commission might afford basis for such complaints. It is proposed for your consideration therefore, that in lieu of your proposal paragraph be added at end of Article

[39] Telegram of May 23, 2 p.m.; not printed.

3 reading as follows "It is further understood that claims heretofore presented to the Claims Commission appointed by the Decree of November 4, 1917 [*1916*],[40] need not be presented *de novo* to the new Claims Commission, but that the new Claims Commission will review the findings of the Commission appointed by the Decree of November 4, 1917, in respect of these claims, may require the production of further evidence where they deem this necessary, and shall make such final awards as seem to them just and equitable."

Endeavor to have embodied in exchange of notes agreement that member of Claims Commission appointed by Haitian Government shall meet approval of United States Government.

Powers in proper form will be sent you by cable in due course.

POLK

838.51/859 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *August 11, 1919, 5 p.m.*
[*Received August 14, 1.02 a.m.*]

Department's August 9, 5 p.m.[41] Budget passed. McIlhenny will leave first steamer after signature of protocol.

Agreement reached as to protocol except Haitian Government insists replace phrase, "with the advice and consent or approval of the Financial Adviser" whenever it therein occurs, by "in accord with the Financial Adviser."

Respectfully request approval of [this] arrangement and powers by cable as per Department's June 7, 5 p.m.

BLANCHARD

838.51/859 : Telegram

The Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *August 20, 1919, 6 p.m.*

Your urgent August 11, 5 p.m.

Department approves substitution of "in accord with the Financial Adviser" as insisted upon by Haitian Government. As it is advisable to have complete text of protocol before the Department before sending full powers, you are instructed to send by pouch a copy as approved by the Haitian Government.

LANSING

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[40] *Le Moniteur*, Port au Prince, Nov. 8, 1916 (vol. 71, No. 85), p. 637.
[41] "Has budget been passed? When does McIlhenny leave?"

838.51/866

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

No. 339 PORT AU PRINCE, *August 23, 1919.*
[*Received September 3.*]

SIR: Referring to the Department's unnumbered despatch of March 20, 1919, enclosing the draft of a protocol between the United States and Haiti and the Department's cable of August 20–6 P.M. and intermediate cables bearing on the subject, I have the honor to forward herewith copy of the protocol in English and French as accepted by the Haitian Government.[42]

It has been agreed between the Minister for Foreign Affairs and myself that on the signing of the protocol, notes will be exchanged to the effect that the member of the claims Commission appointed by the Haitian Government shall meet the approval of the United States Government.

It is respectfully requested that as shortly as possible after the receipt of the copy of the Protocol herewith enclosed, that a cablegram of approval and authorization to sign be sent me as it will not be possible for the Financial Adviser, Mr. McIlhenny to leave Haiti until the Protocol is signed.

Mr. McIlhenny feels, and I thoroughly agree with him, that the condition of the French exchange is at this time so advantageous to the interest of the Haitian Republic that it is highly desirable that he should be placed in a position where he can take advantage of the opportunity now offered.

I have [etc.] A. BAILLY-BLANCHARD

838.51/864 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *August 28, 1919, 9 a.m.*

Department's August 20, 6 p.m. Commander Gayler left 25th for Washington via Cuba and Key West with protocol, article 3, section 2 of which should read, after "Haiti", "as of December 31, 1916 as acknowledged by the Haitian Government on the 12th of April 1919".

BLANCHARD

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[42] Enclosures not printed.

838.51/866 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *September 11, 1919, 4 p.m.*

Your No. 339, August 23, 1919.

You are authorized to sign the protocol for establishment of a Claims Commission to pass upon all pecuniary claims against Haiti, except those enumerated in Article III thereof as excepted, and to exchange notes mentioned in your No. 339. Full Powers will follow by mail.

PHILLIPS

838.51/872 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

PORT AU PRINCE, *September 20, 1919, 12 noon.*
[*Received 8.10 p.m.*]

Department's September 18, 4 p.m.[43] Full powers not yet received. McIlhenny will leave immediately after signature protocol.

BLANCHARD

838.51/872 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *September 23, 1919, 5 p.m.*

Your September 20, 12 noon. Department's September 11, 4 p.m., sufficient authority for you to sign protocol as submitted with your despatch No. 339. Full powers will be forwarded as soon as signed by the President. If Haitien Government does not consider telegraphic authority sufficient you may convey to them the information that it would appear to be advisable to act on telegraphic instructions in this case to avoid the delays encountered in waiting for full powers to arrive by mail, especially in view of fact that it is not unusual for one government to accept the telegraphic authority sent by another government to its representative.

PHILLIPS

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[43] "Cable Department whether protocol has been signed and when McIlhenny will leave."

438.00/100

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

No. 352 PORT AU PRINCE, *October 6, 1919.*
[*Received October 19.*]

SIR: Referring to the Department's unnumbered instruction of March 20, 1919, this Legation's No. 339 of August 23, 1919, the Department's cables of September 11, 4 p.m., September 23, 5 p.m., and other cables on the subject, I have the honor to forward herewith the English–French original and a duplicate of the Protocol for the establishment of a Claims Commission to pass upon certain pecuniary claims against Haiti, which was signed by me and the Haitian Minister of Foreign Affairs on October 3rd, 1919.

I also forward herewith copies of the notes exchanged between the Haitian Minister of Foreign Affairs and myself, to the effect that the member of the Claims Commission appointed by the Haitian Government shall meet the approval of the United States Government.

There is also enclosed a copy of the French–English original retained by the Haitian Government.

The Financial Adviser to the Haitian Government, Mr. John A. McIlhenny, who is the bearer of this despatch, having expressed the desire to be furnished with a certified copy of the Protocol, there is enclosed herewith an extra English–French copy for the purpose, for certification by the Department.

I have [etc.] A. BAILLY-BLANCHARD

[Enclosure 1]

Protocol between the United States of America and the Republic of Haiti, Signed at Port au Prince October 3, 1919 [44]

ARTICLE I

In pursuance of the objects of the Treaty concluded September 16, 1915, between the United States of America and the Republic of Haiti to establish the finances of Haiti on a firm and solid basis, the Government of the United States and the Government of Haiti through duly authorized representatives agree upon this Protocol for the purpose of carrying out the objects of the aforesaid Treaty and of giving effect to Article 12 thereof. It is clearly understood that this Protocol does not in fact or by implication extend the provisions of the Treaty of September 16, 1915, hereinbefore mentioned.

[44] In English and French; French text not printed.

ARTICLE II

Since the settlement by arbitration or otherwise of all pending pecuniary claims of foreign corporations, companies, citizens or subjects against Haiti, makes it necessary to assemble, analyze and adjust such claims, the Government of Haiti agrees to constitute forthwith a Claims Commission of three members, one member to be nominated by the Secretary of State for Finance of Haiti; one member to be nominated by the Secretary of State of the United States, and the third member who shall not be a citizen either of Haiti or of the United States to be nominated by the Financial Adviser, the three members so nominated to be appointed by the Government of Haiti.

In case a vacancy occurs in the office of any member by reason of his disability or for any other cause, a new member shall be nominated and appointed in the same manner as was the former incumbent.

ARTICLE III

The Claims Commission shall have jurisdiction to examine and pass upon all pecuniary claims against Haiti. It is understood, however, that the Commission shall not have jurisdiction to consider or pass upon:

(1) The indebtedness represented by the three bond issues of 1875, 1896 and 1910, now outstanding;
(2) That to the Banque Nationale de la République d'Haïti, as of December 31, 1916, as acknowledged by the Haitian Government on the 12th of April, 1919;[45]
(3) The sum due as interest as this sum will have been verified and admitted by the Financial Adviser, upon the bonds of the Compagnie Nationale des Chemins de Fer d'Haïti, duly authorized and bearing the guarantee of the Haitian Government, to the amount of $3,544,548.74; and
(4) So much of the sum due to the Compagnie des Chemins de Fer de la Plaine du Cul-de-Sac on account of the interest guarantee upon its bonds as has not hitherto been in dispute between the railroad and the Haitian Government, the Government having recognized its obligation to pay to the Compagnie des Chemins de Fer de la Plaine du Col-de-Sac [*sic*] a sum equal to $41,280 per annum, less the net profits of the railroad.

It is further understood that the claims heretofore presented to the Claims Commission appointed by the decree of November four

[45] Contract of *retrait*, Apr. 12, 1919; see pp. 352 ff.

nineteen sixteen need not be presented *de novo* to the new Claims Commission who will review the findings of the Commission appointed by the decree of November four nineteen sixteen in respect of these claims, may require the production of further evidence where they deem this necessary and shall make such final awards as seem to them just and equitable.

Article IV

The Claims Commission shall proceed, as soon as constituted, to hold meetings at Port-au-Prince, or elsewhere in the Republic of Haiti, to formulate rules of procedure for the filing and adjudication of claims.

The Claims Commission may fix the date after which claims may not be filed, but such date shall not be less than six months after the date of the first public announcement by the Commission of its readiness to receive claims. The Commission shall be bound to examine and decide upon every claim within two years from the day of its first meeting. A majority vote of the Commissioners shall constitute a binding decision upon any claim.

Article V

The Claims Commission shall determine the proportion of each award which is to be paid in cash and the proportion to be paid in bonds of Haiti; and it shall state these amounts respectively in its certificate of award which is to be issued to each creditor in whose favor an award is made, and which is to be surrendered by him to the Secretary of State for Finance upon payment of the award.

Article VI

In order to make possible the settlement of the awards rendered by the Claims Commission and the refunding of those obligations specifically mentioned in Numbers 1, 2, 3 and 4 in Article III above, and otherwise to establish the finances of Haiti on a firm and solid basis, the Republic of Haiti agrees to issue, upon the terms and at a time to be fixed in accord with the Financial Adviser, but not later than two years after the date of the signature of this Protocol a national loan of 40,000,000 dollars gold ($40,000,000), payable in thirty years by annual drawings at par, or by purchase below par in the open market. It is agreed that the Government of Haiti shall have the right to pay off the entire loan at any time upon reasonable previous notice after fifteen years from the date of issue.

ARTICLE VII

It is further agreed that this loan, to the issuance of which the President of the United States consents, will be used to pay or otherwise provide for the obligations specifically mentioned and numbered 1, 2, 3 and 4 in Article III hereof, and also the awards rendered by the Claims Commission provided for herein. Provision shall be made for the exchange of the bonds of this loan for the bonds of the issues of 1875, 1896 and 1910, such exchange to take place with due regard for the interest rates of the respective bonds and to be carried on between the Secretary of State for Finance of the Republic of Haiti, in accord with the Financial Adviser, and such agency as may represent the holders of said bonds. After two years from the date of the official announcement of the beginning of the conversion the bonds of this loan not used for the purpose of conversion shall be returned to the Secretary of State for Finance of Haiti at Port-au-Prince for the use of the Government. The holders of any said old bonds which shall not have been presented for exchange within this period of two years shall apply for redemption of the same directly to the Secretary of State for Finance of Haiti. Any surplus remaining after the foreign and domestic indebtedness has been paid or otherwise provided for shall be applied by the Republic of Haiti, in accord with the Financial Adviser, to the construction of necessary public works or to the service of the loan hereinabove authorized.

ARTICLE VIII

It is agreed that the payment of interest and the amortization of this loan will constitute a first charge upon all the internal revenues of Haiti, and a second charge upon the customs revenues of Haiti next in order, until the expiration of the Treaty of September 16, 1915, after payment of salaries, allowances and expenses of the General Receiver and the Financial Adviser and their assistants; and it is further agreed that the control by an officer or officers duly appointed by the President of Haiti, upon nomination by the President of the United States, of the collection and allocation of the hypothecated revenues, will be provided for during the life of the loan after the expiration of the aforesaid Treaty so as to make certain that adequate provision be made for the amortization and interest of the loan.

ARTICLE IX

Each member of the Claims Commission will receive $8,000 gold per annum as salary, and $2,000 gold per annum as expenses; and the Commission is authorized, after approval of the Secretary of State for Finance in accord with the Financial Adviser, to retain the services of such assistants and experts and otherwise to incur such

actual and necessary expenses as may be required for the proper discharge of its duties; and it is agreed that upon proper certification by the Secretary of State for Finance, such salaries, allowances and expenses thus authorized will be paid from the General Treasury of the Republic.

ARTICLE X

The Government of Haiti agrees to empower the Commission by appropriate legislation or otherwise to compel the attendance at its sessions in Haiti of witnesses whose testimony is desired in connection with any claim pending before the Commission, and to require the production of papers which the Commission may deem necessary for it to consider. The Government of Haiti further agrees to enact such legislation as may be necessary to give effect to the provisions of this Protocol.

ARTICLE XI

This Protocol will take effect immediately upon signature by the Minister of the United States to Haiti representing the Government of the United States, and by the Secretary of State for Foreign Affairs of Haiti representing the Government of Haiti.

In witness whereof this agreement has been signed and sealed by Mr. Arthur Bailly-Blanchard, Envoy Extraordinary and Minister Plenipotentiary of the United States of America on behalf of the United States, and by Mr. Constantin Benoit, Secretary of State for Foreign Affairs of Haiti on behalf of the République of Haiti.

Done in duplicate in the English and French languages at the City of Port-au-Prince on the third day of October, one thousand nine hundred and nineteen

[SEAL] A. BAILLY-BLANCHARD
[SEAL] C. BENOIT

[Enclosure 2]

The American Minister (Bailly-Blanchard) to the Haitian Secretary of State for Foreign Affairs (Benoit)

[PORT AU PRINCE,] *October 3, 1919.*

MR. MINISTER: As has been agreed between Your Excellency and myself, it is understood that the Member of the Claims Commission to be nominated by Your Excellency's Honorable Colleague of the Department of Finance, shall meet the approval of the United States Government.

At the moment of signing the Protocol of this day, agreed to between our two Governments, for the establishment of the Claims

Commission to pass upon certain pecuniary claims against Haiti, in order that there should be no possibility of a misunderstanding as to the above, I would be greatly obliged if Your Excellency would be good enough to confirm our accord in this matter.

Be pleased [etc.] A. BAILLY-BLANCHARD

[Enclosure 3—Translation]

The Haitian Secretary of State for Foreign Affairs (Benoit) to the American Minister (Bailly-Blanchard)

PORT AU PRINCE, *October 3, 1919.*

MR. MINISTER: In testimony of the frank and loyal collaboration of our two Governments in the work undertaken in Haiti, it is well understood that on the subject of the nomination and of the appointment of the member of the Claims Commission to be nominated by the Minister of Finance and which is provided for in Article 2 of the Protocol which we have signed this day, there will always be an exchange of views and understanding as to his choice in order that this member be fully agreeable to our two Governments.

I avail myself [etc.] C. BENOIT

CONTRACT OF "RETRAIT" BETWEEN THE HAITIAN GOVERNMENT AND THE NATIONAL BANK, APRIL 12, 1919

838.516/107

The Financial Adviser of Haiti (Ruan) to the Chief of the Division of Latin American Affairs of the Department of State (Stabler)

PORT AU PRINCE, *March 16, 1918.*
[*Received April 12.*]

DEAR STABLER: As indicated in the cablegram sent the Department by the Legation some ten days ago[46] our need for currency here is acute. In the first place, the old gourdes of the Government have become so worn and torn as to be largely unfit for circulation, and in the second place, the very marked improvement in our agricultural conditions and the export of corn to Cuba and prospective export of cotton to the United States demand an increase in the circulation heretofore required.

I enclose draft of proposed agreement between the Government and the Banque Nationale de la Republique d'Haiti,[47] which is the

[46] Not printed.

[47] Not printed; it is substantially the same as the convention of Apr. 12, 1919, p. 362, but each of the articles specifically referred to herein bears the next higher number in the final form.

result of many conferences with Mr. Santallier, representing the Bank, and which, I think, will be acceptable to him. It is acceptable to the Minister of Finance and, to my mind, offers a fair solution of the controversies heretofore existing between the Government and the Bank.

The concession of the Bank gives it the exclusive privilege of issuing notes redeemable in specie, and by the terms of that concession the Government is estopped from issuing further notes of its own. The Bank, by the terms of the proposed agreement, would waive several rights derived from its concession, and further concedes to the Government certain privileges which the concession does not call for. For instance, Article 8 provides an adequate reserve against the notes of the Bank, which the original concession did not do. Article 9 provides that the notes of the Bank shall be a first and preferred lien on all assets of the Bank, which provision was not made in the original contract. Article 10 limits the note circulation to three times the paid in and unimpaired capital of the Bank, whereas the Bank originally was granted the right to issue notes to the maximum of six times its present paid in capital. Article 12 provides that the Bank shall pay a tax of 1% on its circulation in excess of 10,000,000. gourdes, which means a revenue of $20,000. annually to the Government, on a circulation of 20,000,000. gourdes, and a further $20,000. on each additional 10,000,000. gourdes. Further the Bank agrees that the Government shall participate equally with it in the profits that may accrue by reason of notes of the Bank not being presented for redemption. The original concession made no provisions whatever for any participation by the Government in the benefits which the Bank will derive from its note issue privilege, nor for the payment of any tax by the Bank.

Mr. Santallier expects to sail for New York in the latter part of this month for the purpose of securing the approval of the executive committee of the Bank to the execution of this proposed agreement. Pending its approval by the Bank it will not be signed by the Government, so if there should be any reasons for its nonexecution, a cablegram to this effect will reach me in due time.

The proposed agreement is much more favorable to the Government in all respects than the one which was approved by the Department's cablegram of January 9 [*8*], 1917.[48]

Faithfully yours,

ADDISON T. RUAN

[48] Not printed.

838.51/767 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *December 4, 1918, 6 p.m.*

For Ruan.

The Department has been informed that you have requested the National Bank of Haiti to issue a certain amount of gourdes. Farnham [49] called at the Department to discuss this matter and he does not feel that your request of the National Bank of Haiti can be granted under the present circumstances. The Department infers from conversation with Farnham that the National City Bank would not feel warranted further to assist the National Bank of Haiti either by a loan of money or in respect to the issuance of the desired bank notes unless the National Bank of Haiti and the Government of Haiti arrive at a satisfactory solution of the questions in dispute between them. Farnham clearly stated that the only satisfactory conclusion in the above regard would be a statement in writing signed by the Financial Adviser and the Haitian Minister of Finance of the indebtedness of the Haitian Government to the National Bank of Haiti as of September 1915 with an interest rate of 6 per cent.

Farnham seemed hopeful that if the Haitian Government would express its acquiescence in the above solution the National Bank of Haiti would agree to extending the payment of this indebtedness over a period of four years, instalments to be paid annually, semi-annually, or quarterly at the option of the Haitian Government and with the right in that Government to liquidate the entire amount of the indebtedness at any time.

Farnham is cabling Scarpa [50] that he has forwarded the above request for note issue to Paris for decision and that as far as the National City Bank is concerned it cannot assist in this regard and that the matter has been brought to the attention of the Department which has taken it under advisement.

In view of the present financial condition of the Haitian Government and the very urgent need for the solution of its financial difficulties the Department cannot but express its opinion of the great necessity for a prompt solution thereof, despite the fact that the terms of such solution may not be those most desired. The Department considers that the above opinion includes not only the questions pending between the Haitian Government and the Bank but also the larger matter of the Haitian loan.

POLK

[49] R. L. Farnham, Vice President of the Banque Nationale de la République d'Haiti.

[50] O. Scarpa, Manager of the Banque Nationale de la République d'Haiti.

838.51/781 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *January 6, 1919, 12 noon.*
[*Received January 8, 10.45 p.m.*]

From Ruan:

"In event agreement as to settlement accounts due Banque Nationale de la République de Haiti, as suggested in Department December 4, 6 p.m., is effected will bank proceed immediately with monetary reform in accordance with plan presented to Santallier in March 1918, a copy of which was transmitted Department with my letter to Mr. Stabler, March 16th, 1918?"

BLANCHARD

838.51/781 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *January 10, 1919, 7 p.m.*

Your January 6, 12 noon. For Ruan.

Farnham has informed the Department that he has received a cable from Scarpa relative to above which has been forwarded to the directors of the bank in Paris with the remarks that the New York officers of the bank are in full accord with proceeding immediately with the monetary reform in the event of a settlement of accounts between Government of Haiti and the Bank. As soon as a reply is received from Paris the same will be forwarded to Scarpa.

POLK

838.51/786

The Vice President of the Banque Nationale de la République d'Haiti (R. L. Farnham) to the Acting Secretary of State

NEW YORK, *January 15, 1919.*
[*Received January 16.*]

SIR: Referring to the conversation recently had with you, concerning the necessity for the prompt increase in the circulation of Gourdes in Haiti and to the position of the Banque Nationale de la République d'Haiti in connection therewith, we wish to advise you that immediately upon the conclusion of our conference with you the whole matter was cabled to Paris for consideration there by the Board of the Bank.

Up to this moment we have received no reply, the delay doubtless being due to the crowded condition of the cables. Recognizing, how-

ever, the seriousness of the situation in Haiti and of further delays, and to evidence the good will and desire of the Bank to do all in its power to alleviate the situation, we advise you hereby that without waiting longer for word from the Board in Paris, the officers of the Bank in New York will commence the operation of the Retreat as suggested in the cable from the Financial Advisor of Haiti to the State Department, as presented to us in the Department's letter of January 10, LA 638.51/781.,[51] as soon as the Financial Advisor has agreed to the recognition of the amount due the Bank by the Haitian Government as discussed between us in our conference.

The form of evidencing this obligation which will be most acceptable to us, and we trust to you, is as set forth in the cable enclosed herewith [52] and addressed to the Manager of the Banque Nationale de la République d'Haiti at Port-au-Prince. In view of the great importance of having this telegram correctly transmitted to the Manager of the Bank at Port-au-Prince, we are asking if your Department will be good enough to transmit the same through the American Legation at Port-au-Prince to the Manager of our Bank there, sending the charge for such telegraphic transmission to us at New York, and we will gladly remit the amount to the Department. We suggest the transmission of this note by telegram solely for the purpose of saving time and to enable the Financial Advisor more quickly to complete the document, in order that the Manager of the Bank may cable us of such completion, and in order that upon receipt of such cable from the Manager we can at once begin the printing of the necessary Gourde notes. Then, following the desire of the Financial Advisor, we can ship these notes to Haiti as soon as printed, to relieve at once the strained situation there whilst we are taking up the details of the carrying out of the plan of Retreat in its entirety.

Very truly yours,

R. L. FARNHAM

838.51/786 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *January 17, 1919, 4 p.m.*

Following sent at request of Farnham: "To Scarpa. The following is the exact form of note which you should obtain from the Government of Haiti. 'The Government of the Republique of Haiti hereby acknowledges that on the 31st day of December 1916 it was

[51] Letter of Jan. 10 not printed (correct reference is LA 838.51/781); for cable of Financial Adviser, see telegram of Jan. 6, noon, from the Minister in Haiti, p. 355.

[52] See telegram of Jan. 17, to the Minister in Haiti, *infra*.

indebted to the Banque Nationale de la Republique d'Haiti in the principal amount of dollars United States gold, representing cash advances from time to time made to the Government of the Republique of Haiti by the Banque Nationale de la Republique d'Haiti for Budgetary and other requirements of the Government. And this principal amount of dollars, together with accrued interest thereon at the rate of 6 per centum per annum up to the date of the execution of this note, making a total amount of dollars the Government of the Republic of Haiti hereby promises to pay in United States gold to the Banque Nationale de la Republique d'Haiti or its order, either at its office at Port-au-Prince or New York as the Bank may elect, on or before the 31st day of December 1921, and to pay interest on the said total amount of dollars quarterly at the rate of 6 per centum per annum from the date of this note until its final payment.' In each place where the word dollars appears in the foregoing cable you will substitute the exact amount of money to be used. As soon as you receive the definitive note of the Government signed by the Minister of Finance of Haiti and by the Financial Advisor and in all other ways properly legalized to the satisfaction of our lawyer cable us and we will immediately commence printing of additional Gourdes and ship the first million to you as soon as ready. Farnham."

POLK

838.51/793 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *January 30, 1919, 5 p.m.*
[*Received 11.20 p.m.*]

At yesterday's conference treaty officials, Receiver General brought up the question of the present acute gourde situation.

The failure of the bank to make provision for gourde issue as requested by the Financial Adviser last November in order to meet the foreseen demand necessary to market the coffee and cotton crops and to maintain the parity of gold at the usual rate of 5 to 1 has resulted in great distress generally.

In order to maintain the parity the Receiver General has endeavored by exchange against his gourde account to assist the public services in so far as their pay rolls were concerned. This has caused disbursements to more than double his receipts. The shortage of gourdes has now reached the point where the bank is honoring the Receiver General's checks with gourdes in such a delapidated condition as to be unfit for use, the merchants refusing them for circulation except at a 25% discount to the holder.

This situation causes a very great hardship to the laboring class and they are now in the position of preferring not to work if paid with currency in stated condition.

The ultimate result of this situation will cause a suspension of public works and services resulting in great damage and injury to the people and business.

The agreement reached by the Haitean Government, the Financial Adviser and Scarpa as to the settlement of accounts with the bank and monetary reform awaits the authorization from Paris for Scarpa to sign.

This delay for which the bank is solely responsible is causing disaster and depression in the market to the advantage of speculators and holders of the gourdes and to the great damage and injury of the people.

After discussion it was the consensus of opinion in which I concurred, that the Department should be informed by cable of this critical situation and the advisability suggested of bringing pressure on the Paris office to the end that the authorization asked by Scarpa be forthcoming without delay.

BLANCHARD

838.51/793 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *February 6, 1919, 7 p.m.*

Your January 30, 5 p.m.

Vice-President and representative of the French members of the Board of the National Bank of Haiti are cabling Scarpa to receive note, it having been agreed between Department of State and bank's representatives that questions not yet settled in connection with plan of monetary reform can be discussed and definitely decided between them and Financial Adviser in Washington.

In view of this arrangement no reason is seen why Acting Financial Adviser should not immediately present note and bank immediately will have printed and ship out new gourdes.

POLK

838.51/804 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *February 14, 1919, 9 a.m.*
[*Received February 15, 1.41 a.m.*]

Department's February 6, 1 [7] p.m. At the [conference] of the treaty officials February 12 under my chairmanship the Acting Fi-

nancial Adviser brought up question involved in the present discussion between himself and the Minister of Finance and the director of the bank consequent upon the Department's above cable in answer to Legation's January 30, 5 p.m. The Acting Financial Adviser stated that during his conferences with the Minister of Finance, the Minister of Finance stated that while the Haitian Government had a very high opinion of Mr. McIlhenny it was probable that Mr. McIlhenny was not in full knowledge of the circumstances surrounding the question of the dual signature. The Minister of Finance also stated to the Acting Financial Adviser that he would not sign the note as presented as it was not in proper form and not such a document as the Government could legally sign (it being in the nature of a promissory note) and further that it was not in accordance with the agreement entered into at the conference whereby the settlement of the account between the Haitian Government and the bank were temporarily adjusted and the plan of monetary reform agreed upon, which agreement provided that both documents should be signed simultaneously and that he would not sign one without the other. After discussion it was the consensus of opinion in which I concur that the plan agreed upon should be adhere[d] to. The recognition of the debt to the bank by the Haitian Government, being a concession made in consideration that the monetary reform agreed upon at the conference should go into effect at once, makes [necessary] simultaneous signing of both documents shortly after further concessions. The various cables show that it has been clearly understood that the concessions agreed to by the Haitian Government and Financial Adviser were consequent upon a monetary reform and the authority requested by the director of the bank to sign on behalf of the bank was all that was necessary to complete the transaction.

BLANCHARD

838.51/793 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *February 27, 1919, 6 p.m.*

From McIlhenny.

Immediately on sending cable of February 6, 1919, Bank began printing of gourdes which as soon as printed will be at once forwarded to Haiti, but Bank will not release gourdes until note or agreement has been signed. The plan of the retreat has been carefully worked out here by the Department and Financial Adviser with the Bank and is believed to be in desirable form for accep-

tance, therefore I strongly advise the signing of note or agreement without waiting for signing of retreat. Bank obligates itself to sign retreat which meets approval of Department and Financial Adviser.

POLK

838.51/810 : Telegram

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

WASHINGTON, *February 27, 1919, 7 p.m.*

Your February 14, 9 a.m.

You will urge upon the Haitian Government and the Acting Financial Adviser the signature of the note to the Bank without awaiting the completion of the plan of monetary reform, since this plan is receiving diligent consideration here by Mr. McIlhenny and representatives of the Bank and will be ready for submission for signature in a few days, without material change from the protocol between the Minister of Finance, the Financial Adviser, and the Bank, of January 7, 1919.[52]

In regard to the legality of the Government's signing such a note, you will point out that apparently the authority for the expenditure involved can properly be obtained by the promulgation of an additional budget by the President under the existing budget law.

If the Government still feels unable to sign the note in its present form, you will suggest the signature of an agreement in the following terms. "It is agreed between the Republic of Haiti and the Banque Nationale de la République d'Haiti that on the 31st day of December, 1916, the Government was indebted to the Banque Nationale de la République d'Haiti in the principal amount of dollars United States gold representing cash advances made from time to time to the Government of Haiti for budgetary and other requirements of the Government. And this principal amount of dollars, together with accrued interest thereon at the rate of 6 per centum per annum up to the date of the execution of this note, making a total amount of dollars the Government of the Republic of Haiti hereby agrees to pay in United States currency to the Banque Nationale de la République d'Haiti or its assigns, either at its office at Port au Prince or at New York as the Bank may elect, on or before the 31st day of December, 1921, and to pay interest on the said amount of dollars quarterly at the rate of 6 per centum per annum from the date of this agreement until its final payment."

If the form of this agreement is objectionable to the Government from a legal standpoint, you will ascertain what form of agreement

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[52] Copy of protocol not found in Department files.

or note the Government feels itself able to sign, containing a definite acknowledgment of the sum due by the Government to the Bank and a definite agreement to pay this sum, with 6 per cent interest, on December 31, 1921.

POLK

838.51/809 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *March 1, 1919, 9 a.m.*
[*Received 5.25 p.m.*]

For McIlhenny.

Your February 27, 6 p.m. Legation's cables January 30, 5 p.m., February 14, 9 a.m., February 20, 5 p.m.[53] explained in detail the position taken by the Haitien Government in which treaty officials and I concurred, as to compliance with agreement entered into on January 7th between the Haitien Government and Financial Adviser on the one part and the representative of the Banque Nationale de la Republique de Haiti on the other part, whereby the settlement of account under mutual concession between the Haitien Government and the bank and the plan of monetary reform were to be signed simultaneously, one being contingent upon the other.

Since the above cables, the Minister of Finance has notified the bank in writing, that according to the decision of the Council of the Secretaries of State he was instructed not to sign either of the documents separately.

BLANCHARD

838.51/811 : Telegram

The Minister in Haiti (Bailly-Blanchard) to the Acting Secretary of State

PORT AU PRINCE, *March 6, 1919, 6 p.m.*
[*Received March 7, 10 a.m.*]

Department's February 2 [*27*], 7 p.m. Acting Financial Adviser informs me that he has received from the Minister of Finance a copy of a letter from the [Minister] of Finance to the Banque National de la Republique d'Haiti stating that at a meeting of the Council of Secretaries of State the protocol of January 7, 1919 had been approved and that he, the Minister of Finance, was directed and instructed to adhere to the plan therein outlined and that under no consideration should one of the documents become signed without the other. In view of the above it appears to the Acting Financial Adviser and myself that the form of the acknowledgment of indebted-

[53] Telegram of Feb. 20, 5 p.m., not printed.

ness of the Haitian Government to the bank is not the essential factor, but that the simultaneous signature of both documents of the agreement is obligatory and insisted upon.

BLANCHARD

838.51/901

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

No. 359 PORT AU PRINCE, *November 13, 1919.*
[*Received December 5.*]

SIR: Referring to the Department's unnumbered instruction of June 23, 1919 [54] regarding the currency reform in Haiti, I have the honor to forward herewith copy of the Haitian official Gazette *Le Moniteur* of May 7, 1919, containing the Convention of April 12, 1919, between the Haitian Government and the Banque Nationale de la République d'Haïti, regulating the monetary reform in Haiti, together with the Law of Sanction,[55] and copy of the same Gazette of November 8, 1919 containing an additional act dated October 24, 1919, to the above Convention, and the Law of Sanction.[55] Translations of these Laws,[55] the Convention and the additional act are also enclosed.

Regarding the Protocol it was forwarded to the Department in my No. 352 of October 6, 1919.[56]

I have [etc.] A. BAILLY-BLANCHARD

[Enclosure 1—Translation [57]]

Convention between the Republic of Haiti and the Banque Nationale de la République d'Haiti, Regulating the Monetary Reform in Haiti; Signed at Port au Prince April 12, 1919

Between the undersigned:

(*a*) The Government of the Republic of Haiti represented by Mr. Fleury Féquière, Secretary of State for Finance and Commerce, assisted by Mr. John McIlhenny, Financial Adviser;

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[54] "You are requested to report from time to time on the progress of your conversations with the Haitian Government on the various matters pending at this time. The Department desires especially to be informed as to the status of currency reform, the budget and the protocol." (File No. 838.51/855a.)

[55] The laws of sanction are not printed.

[56] *Ante*, p. 347.

[57] According to a minute of meetings held at the Department of State, Feb. 24–27, by certain of its officials with the Financial Adviser of Haiti, officers of the bank, and the Baron de Neufl ze, representing the French bank directors and holders of Haitian bonds, the text of this convention was arrived at in the following manner:

And (*b*) The Banque Nationale de la République d'Haiti represented by Messrs. O. Scarpa, Manager of that establishment, assisted by Mr. W. H. Williams, Assistant Director;

The following has been agreed:

ARTICLE 1. The Bank will cause to be brought to Haiti and will hold on deposit, to the credit of an account which will be designated and known under the name of "Retirement Fund" (*Fonds du Retrait*), the balance of the ten million francs of the loan of 1910, including the five hundred thousand dollars transported to New York in December 1914, increased by the interest at 2 per cent (two per cent) a year on this sum dating from December 1914 until December 31, 1918; it will also place to the credit of the said account all other balances or increases of balances belonging to or pertaining to the monetary reform or the guarantee of retirement on December 31, 1918.

These funds on the date of December 31, 1918, are composed as follows:

(*a*) Monetary reform $1,596,125.28.

(*b*) Guarantee of retirement $139,539.61.

$1,735.664.89, legal tender of the United States, the total to be placed to the credit of the "Retirement Fund" account.

ART. 2. It remains, however, understood that, with the consent of the Government of Haiti, the Bank may keep a sum not exceeding half of the amounts to the credit of the "Retirement Fund" account on deposit in a national bank of New York, at the selection of the Government of Haiti and to its credit, *these funds remaining subject to the uses provided for in the present agreement.* In this case the Government of Haiti will profit by the interest earned by the amounts deposited to its credit.

ART. 3. As soon as the Bank shall have complied entirely with the provisions of Articles 1 and 2 above, which it agrees to do *as soon as*

"Mr. Scarpa presented the draft of a plan of monetary reform which had been proposed by Mr. Ruan on behalf of the Haitian Government at a conference at Port-au-Prince just before Mr. Ruan left Haiti. Certain changes in this project were proposed by the bank. After discussion of this draft article by article, an agreement was reached upon an English text . . . This text was thereupon translated into French, under the direction of Baron de Neuflize and Mr. Scarpa, and the French text was discussed article by article and agreed upon as the definitive text which Mr. McIlhenny would submit to the Government of Haiti. Certain changes which had been made in the translation in order to make the text clearer and more nearly in conformity with the draft proposed by Mr. Ruan were approved as it was understood that these amendments did not alter in any way the meaning of the agreement." (File No. 838.51/818.)

The translation of the official French text forwarded by the Minister in Haiti has been revised to bring the language more nearly into accord with that of the English texts used as bases of discussion (File No. 838.51/817).

it has received its provisional notes hereinafter mentioned, the Government promises to commence to retire from circulation the paper money now outstanding, the amount of which, according to the declarations of the Government, is:

(1) Notes of 1 and 2 gourdes (issues of 1903–1904–1915, substitution of 1892)	G. 8,572,147.00
(2) Notes of 5 gourdes (issue of 1908)	305,825.00
Total gourdes	G. 8,877,972.00

This retirement will be announced in the *Moniteur* and the Government will proceed with it as promptly as possible; it should complete it within one year counting from the date on which the announcement is made of *the issuance of the Bank's permanent notes hereinafter referred to.*

Every holder of the aforesaid paper money shall have the right to require its exchange for the *legal money* of the United States of America at the rate of five gourdes for *one dollar*, or, if he so desires, to accept in exchange at par the new bank notes hereinafter mentioned.

The paper money which will not have been presented for exchange within the time indicated will be demonetized *ipso facto* and without the necessity of recourse to any other formality.

ART. 4—The Bank will be entrusted with the operations of the retirement mentioned in Article 3. It will debit the "Retirement Fund" account with the value of the paper money retired from circulation at the rate of five gourdes for *one dollar* plus the expenses of insurance and transportation from the provinces to Port-au-Prince on the notes redeemed in its branches and from Port-au-Prince to the provinces on funds sent in exchange. It can not claim any other expenses nor demand any commission whatsoever for the services rendered.

All paper money exchanged will forthwith be cancelled by perforation or otherwise by the Bank and turned over immediately to a commission instituted by a decree of the President of the Republic, composed of three members, of whom the first will be chosen from a list submitted by the Minister of Finance, the second from a list submitted by the Financial Adviser and the third from a list submitted by the Bank. The Commission after verifying the notes will immediately burn them.

Before redeeming doubtful notes, if any are presented, the Bank will submit them to this same commission which will pronounce upon their validity.

ART. 5. If the funds of the "Retirement Fund" account shall be insufficient for the redemption of the 8,877,972 *gourdes* of paper money in circulation or the part thereof presented for exchange within the period provided for in Article 3 above, the Bank will advance to the Government the amount necessary for the purpose without any charge for interest or commission, in consideration of the Government's pledge not to reduce the taxes created for the retirement guarantee and not to change the appropriation thereof so long as the advances made by the Bank by virtue of the present article have not been fully reimbursed, either by means of the said taxes or by anticipation, whichever better suits the Government.

ART. 6. In virtue of the privilege conferred on it by its concession contract, the Bank will issue its notes as follows:

7,500,000 gourdes in notes of 1 gourde;
5,000,000 gourdes in notes of 2 gourdes;
5,000,000 gourdes in notes of 10 gourdes;
2,500,000 gourdes in notes of 20 gourdes;

These notes will bear on the reverse the following notice:

This note, issued by the Banque Nationale de la République d'Haiti, by virtue of its concession contract, and in conformity with the Convention of April 12, 1919, is payable to the bearer in legal money of the United States of America at the rate of *five gourdes* for one dollar when presented at the counter of the Bank at Port-au-Prince or with allowance for delay in transportation at its counters in the provinces.

Each type of banknote will be divided into series of *one million* gourdes, each series will bear a distinctive letter and each note will be numbered consecutively. The signatures prescribed by Article 10 of the concession contract will be engraved upon these bills.

ART. 7. The Bank will put in circulation *fifteen million* gourdes of its aforesaid notes or such part thereof as may be necessary to maintain the rate of exchange at *five to one*, simultaneously with the beginning of the operations of the retirement prescribed by Article 3 of the present convention. The balance of the issue of *twenty million* gourdes authorized by these presents will be put in circulation whenever the need is felt. This operation will be governed by Article 11 below and by all the other stipulations of the present convention; however, it can never be considered as the fulfillment of the obligation assumed by the Bank in Article 11 of these presents, to place in circulation from time to time the quantity of notes required for the needs of commerce. The notes of the Bank will have no value as money until after their issuance has been announced in the *Moniteur*. Once this announcement is made, the bills will be considered as lawful money throughout the Republic. They shall

be legal tender without limitation and will be accepted by all offices of the Public Treasury in payment of sums due to the Government in gourdes.

ART. 8. The Bank obligates itself to redeem its notes in legal money of the United States at the rate of *five gourdes for one dollar*, at sight if they are presented at its establishment in Port-au-Prince, and with allowance for delay in transportation if they are presented at its principal branches in Haiti. In the latter case the Bank shall remit the necessary funds to the branch by the first regular means of transportation available.

This delay can not be invoked by the Bank until after the exhaustion of the daily reserve which each one of its branches should have on hand to meet the conversion. The list of the branches which should have a daily reserve and the schedule of the daily reserves which they should thus maintain will be determined by the Manager of the Bank at Port-au-Prince and approved by the Financial Adviser.

ART. 9. The Bank will at all times maintain in its vaults in Haiti cash reserves set apart exclusively for the redemption of its notes in circulation. This cash reserve will consist of legal money of the United States of America to an amount equivalent, at the rate of *five to one*, to at least one-third of the total amount of the notes of the Bank in circulation; however, it remains understood that a part of this cash reserve which should never exceed half may be deposited in a national bank of New York, as a sight deposit, this national bank being agreed to by the Government of Haiti.

The difference between the amount of this cash reserve and the total amount, at the rate of *five gourdes to one dollar*, of the notes of the Bank in circulation will at all times be represented by commercial paper bearing two good signatures and of a maximum maturity of one hundred and twenty days. By commercial paper is understood notes and bills of exchange resulting from commercial operations, that is to say, issued or drawn for industrial or commercial needs, but excluding all notes or bills having for object the carrying on margin of stocks, bonds, or other securities. One of the two signatures may be replaced by merchandise or by acceptances, warrants, receipts, or documents representing them. Commercial paper based on operations of interest to Haitian commerce shall be given preference in so far as may be deemed possible by the Bank, which remains the sole judge in the matter.

It remains understood that the Bank may increase the proportion of the said cash reserve beyond the prescribed minimum of one-third; in that case it may decrease proportionally the amount of the commercial paper mentioned above.

ART. 10. In case of the liquidation of the Bank, its notes in circulation will have a preferred lien on all its assets of whatsoever nature, with the exception of the assets representing the deposits made by the Government of Haiti or by the General Receiver of the Haitian Customs.

ART. 11. The Bank specifically agrees that the total amount of its notes in circulation will never exceed the figure equivalent, in legal money of the United States of America, to three times its paid in and unimpaired capital, with the exception noted below.

Whenever the needs of commerce require additional circulation of bank notes in gourdes, the Bank will put in circulation notes to the amount required, either against a proportional increase of its capital or against special security submitted to the approval of the Government.

Failing to do this, the Bank agrees not to oppose and not to place any obstacle in the way of such reasonable measures as the Government may see fit to take with a view to obtaining the quantity of money required.

ART. 12. The Bank will replace by new notes at its own expense such of its notes as may become unfit for circulation.

Any counterfeiting of the notes issued by the Bank will be punished by law. Likewise the issue, attempt to issue and the circulation of fiduciary money of all kinds: chips, coupons, scrip, etc., designed to replace money even for a limited use, will be prohibited and punished. It is well understood that this does not affect the right of the Government provided for in the last paragraph of Article 11.

ART. 13. The Bank agrees to pay to the Government an interest at the annual rate of one per cent on the sum by which the daily circulation of its notes may exceed *ten million gourdes.*

The profits resulting from the non-presentation of certain of the notes of the Bank for final redemption will be divided equally between the Government and the Bank, after the deduction of all the expenses occasioned by the said redemption.

ART. 14 If experience shows that the quantity of fractional nickel coin now in circulation is too great for the needs of the country, the Government will take the necessary measures to retire the excess in circulation beginning with the *fifty centime* coins.

ART. 15. In order to avoid the possibility of a monetary crisis during the period of the retirement of the paper money of the Government and as long as this retirement continues, the Government obligates itself to prohibit the importation or exportation of all non-Haitian money, excepting such as may be necessary for the needs of commerce in the opinion of the Financial Adviser.

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ART. 16. The Bank renounces all rights and privileges resulting from its concession contract which may conflict with the present convention.

ART. 17. Pending the printing of the Bank's permanent notes provided for in Article 6 above, the Bank may issue provisional notes to an amount not exceeding *seven million gourdes*, which will be subject in all respects to the same conditions provided for in the present convention for the permanent notes.

These provisional notes will be retired by the Bank at its own expense as soon as the engraved permanent notes may be obtained.

The two million gourdes of surcharged notes in circulation at the present time are included in the *seven million gourdes* of provisional notes and are subject to this same transitory provision.

It is well understood that the retirement of the *seven million gourdes* in provisional notes must be carried out within a period of two years at least and three years at most.

ART. 18. The Financial Adviser will have the right of inspection of all operations of the retirement as well as of the provisions established above for the maintenance of the reserves, cash and securities, applicable to the fiduciary circulation, and he may at any time inspect, either personally or through the intermediary of a competent representative, the accounts of the Bank having to do with the said circulation.

Done and signed in triplicate, at Port-au-Prince, April 12, 1919, in the 116th year of independence.

FLEURY FÉQUIÈRE
JOHN MCILHENNY
O. SCARPA
W. H. WILLIAMS

[Enclosure 2—Translation [58]]

Convention between the Republic of Haiti and the Banque Nationale de la République d'Haiti, in Settlement of the Amounts Remaining Due to the Bank; Signed at Port au Prince April 12, 1919

Between the undersigned:

1. M. Fleury Féquière, Secretary of State for Finance and Commerce, duly authorized by the Council of the Secretaries of State and assisted by Mr. John McIlhenny, Financial Adviser, acting for the Haitian Government on the one part;

2. M. O. Scarpa, Manager of the Banque Nationale de la République d'Haiti, acting for the said Bank on the other part;

[58] File translation revised.

The following Convention has been concluded:

1. The Bank will credit the Government of the Republic of Haiti with the sum of *twenty four thousand, five hundred sixty and 57/100 dollars* in legal money of the United States of America by way of refund on that of 175.095.93 gourdes gold.

2. It will besides deduct from the debit of the Government to the Bank the balances of credit of the Government on the accounts, Receipts and Payments of the Fiscal Years 1914–1915, 1915–1916, 1916–1917, as these balances result from the accounts controlled and agreed upon between the Bank and the Commission named for this purpose by the Government.

3. All these balances being offset as provided in the preceding article, the sum of the credit of the Bank on December 31, 1916, resulting from the balancing of the accounts (Statutory Loan, Budgetary Conventions and others) is definitively agreed to as of the above said date at 1,733,154.87 (*one million seven hundred thirty-three thousand one hundred fifty-four 87/100 dollars* legal money of the United States).

4. The Government binds itself to deliver to the Bank an acknowledgment representing the credit balance above mentioned and payable within the periods which will be agreed upon, by common accord, between the parties and the Financial Adviser with interest at 6% (six per cent) per annum beginning January 1, 1917.

5. The present Convention will be submitted to the sanction of the Council of State to carry out its full and entire effect.[59]

Done in triplicate at Port-au-Prince, April 12, 1919, in the 116th year of Independence.

FLEURY FÉQUIÈRE
JOHN MCILHENNY
O. SCARPA
W. H. WILLIAMS

[Enclosure 3—Translation [60]]

Additional Article to the Convention of April 12, 1919, between the Republic of Haiti and the Banque Nationale de la République d'Haiti, Providing for a Further Issuance of Currency; Signed at Port au Prince October 24, 1919

Between the undersigned:

1. Mr. Fleury Féquière, Secretary of State for Finance and Commerce, assisted by Mr. A. J. Maumus, Financial Adviser *ad interim*, acting in the name of the Haitian Government,

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[59] Law of sanction dated Nov. 7, 1919.
[60] File translation revised.

2. Mr. O. Scarpa, Manager of the Banque Nationale de la République d'Haiti, assisted by Mr. W. H. Williams, Assistant Director, acting in the name of the said Bank, on the other part,

The following additional clauses to the Convention of April 12, 1919, have been concluded.

Sole Article. For the purpose of meeting the new need of gourdes provided for in the 2nd paragraph of Article 11 of the Convention of April 12, 1919, and caused by the actual exigencies of the market, the Banque Nationale de la République d'Haiti is authorized to increase by 5,000,000 in provisional notes of 1 and 2 gourdes the 7,000,000 allowed in Article 17 of the aforesaid Convention.

In case of the demonstrated insufficiency of these further *5 millions* a decree of the President of the Republic issued upon the proposal of the Secretary of State for Finance after agreement with the Financial Adviser and countersigned by all of the Secretaries of State, will authorize the Bank to issue a surplus of *3 millions.*

This increase of provisional notes will be made in conformity with Articles 9 and 11 of the Convention of April 12, 1919.

The provisional notes shall be entirely retired within a space of three years beginning with the signing of this amendment to the Convention of April 12, 1919, or within the space of one year after the 10 million permanent notes will have been placed in circulation. It is understood that the Bank should do everything to obtain the engraved permanent notes as soon as possible and as soon as the issuance of the permanent notes has commenced, that of the provisional notes shall cease *ipso facto.*

The provisional notes of the Bank will be accepted in all commercial operations at the rate of five gourdes for one dollar and vice versa. The Bank guarantees at all times in an absolute manner and without any restriction to exchange these provisional notes for legal money of the United States and reciprocally in accordance with the needs of commerce and as provided for in Articles 7, 8 and 11 of the Convention of April 12, 1919. The reserves provided for in Article 9 of the Convention of April 12, 1919, guaranteeing the notes of the Bank, will be verified at any time by the Secretary of State for Finance and the Financial Adviser.

Done and signed in original triplicate at Port-au-Prince, October 24, 1919, in the 116th year of Independence.

Fleury Féquière
A. J. Maumus
O. Scarpa
W. H. Williams

AGREEMENT OF THE UNITED STATES TO A SPECIAL BOND ISSUE FOR PAVING DONE UNDER A CONTRACT OF 1912

838.51/771

The Acting Secretary of State to the Minister in Haiti (Bailly-Blanchard)

No. 247 WASHINGTON, *February 1, 1919.*

SIR: The Department acknowledges receipt of your despatch of December 7, 1918,[60] wherewith you transmitted a letter addressed to the Secretary of State by the Financial Adviser of the Haitian Government in respect to questions arising between that Government and the Compagnie Haitienne de Construction from the completion of the paving contract of the Company.

It appears from the letter of the Financial Adviser that, of the bonds issued to the Company for account of the Haitian Government under the terms of the contract of October 24, 1912, series C, amounting to $40,100, dated May 1, 1916, and series D, amounting to $64,700, dated November 1, 1916, both of which series represented payment for work done during the period from January 1st to October 31, 1916. were issued, without agreement with the President of the United States.

The Financial Adviser, therefore, recommends that the Department sanction, on behalf of the President of the United States, the issuance by the Haitian Government of bonds to the amount of $124,000, of which amount $104,800 would replace the said series C and D, and $19,200 would be issued to cover work completed and accepted during the period from November 1, 1917 to November 1, 1918.

After consideration of this matter, the Department is of the opinion that, in view of the Financial Adviser's statement concerning the status of bonds of series C and series D and concerning the performance by the Construction Company of the work which it obligated itself to do by the contract of October 24, 1912, the Company is entitled to receive from the Government of Haiti bonds to the amount of $124,000. Therefore, you are authorized and directed to state to the appropriate authorities of the Haitian Government that the Government of the United States approves the issuance by the present Government of Haiti to the Compagnie Haitienne de Construction of six per cent. bonds in the amount of $124,000, of which amount $104,800 shall be issued to replace series C and D now outstanding, and $19,200 shall be issued in liquidation of the

[60] Not printed.

indebtedness due from the Haitian Government to the Company up to and including November 1, 1918.

If the Government of Haiti by its appropriate authorities shall signify to the Government of the United States its willingness and desire to issue the bonds in question, such indication, taken in connection with the concurrence of this Government to such action as expressed herein, may, it is believed, be taken to constitute the "agreement with the President of the United States" required by Article VIII of the treaty of September 16, 1915, between the United States and Haiti, as a condition precedent to an increase in the public debt of Haiti for the purpose and in the manner set forth.

In his said letter, the Financial Adviser expresses the opinion that to pay interest and amortization on bonds of series A and B as requested by Mr. Marsh, representing the Compagnie Haitienne de Construction, would constitute exceptional and preferential treatment not at this time accorded other creditors of the Government holding obligations of the same class and which it is impossible to extend to all creditors at present.

With respect to the last mentioned matter, the Department after careful consideration has reached the conclusion that the Government of Haiti would be justified in continuing its monthly payments to the Company for interest and amortization on bonds in accordance with the contract, and that such a course would not constitute preferential treatment to which any other creditor of Haiti could justly object, but would merely amount to the continued performance by the Government of Haiti of its obligations under the contract which has apparently been carried out up to the present time by both parties thereto so far as concerns its immediate obligations.

Please inform the Financial Adviser of the foregoing.

I am [etc.]

For the Acting Secretary of State:
ALVEY A. ADEE

838.51/898

The Minister in Haiti (Bailly-Blanchard) to the Secretary of State

[Extract]

No. 355 PORT AU PRINCE, *November 8, 1919.*
[*Received December 5.*]

SIR: Referring to the Department's No. 184 of February 28, 1918; [61] No. 214 of July 27, 1918 [61] (File No. 838.51/679 So), No. 220 of August 29, 1919 [*1918*]; [61] No. 247 of February 1st, 1919 (File No. So 838.51/771), and this Legation's No. 210 of March 13, 1918,[61] and

[61] Not printed.

unnumbered despatch of December 7, 1918,[62] regarding the issue of bonds due by the Republic of Haiti to the Compagnie Haïtienne de Construction under its contract of October 24, 1912, with the Haitian Government, I have the honor to report that this matter has been settled in accordance with the instructions of the Department; the bonds have been delivered and the interest has been paid in full on the entire issue up to and including that due at the interest period of May 1st, 1919.

I enclose herewith copies of the correspondence exchanged on this subject.[62]

. . . . . .

I have [etc.] A. Bailly-Blanchard

CONVENTION WITH THE UNITED STATES FOR THE ESTABLISHMENT OF AN INTERNATIONAL GOLD-CLEARANCE FUND

(See volume I, page 42, footnote 42.)

[62] Not printed.

HONDURAS

POLITICAL AFFAIRS

Arbitrary Rule of President Bertrand; His Assumption of Dictatorial Powers, July 17, 1919—Revolutionary Movement under López Gutiérrez—Representations of the United States in Behalf of Free Elections; Proposal of Good Offices, September 5—Resignation of Bertrand, September 9—Exercise of Power by the Council of Ministers Assisted by the Diplomatic and Consular Corps—Admonitions of the United States against Dictation by López Gutiérrez—Installation of Bográn as Provisional President, October 5—Election of López Gutiérrez; Pronouncements of the United States Recognizing His Election and Bográn's Tenure for the Unexpired Term

815.00/1816

The Minister in Honduras (Jones) to the Acting Secretary of State

No. 137 TEGUCIGALPA, *February 17, 1919.*
[*Received March 8.*]

SIR: I have the honor to refer to my cable message of the 16th instant, 9 P.M.[1] and to further call to your attention a situation fraught with the most serious consequences, in the very near future.

. . . . . .

He[2] has suspended the Constitutional guarantees; issued definite instructions to Congress, Cabinet, Comandantes and every employee of the Government.

He has not censored, but taken control of the Press, insofar as concerns all political questions.

He has closed the Postal Department, the Telephone and Telegraph, the Highways, the Clubs, and Hotels, against his political opponents. He has been open, frank, aggres[s]ive, defiant about it.

He has notified all Comandantes, all heads of the Schools, every element of power and force, that it must yield promptly and affirmatively to his demands.

Only this morning, after my cable to you,[3] Doctor Arturo Zelaya, the Acting American Consular Agent at Amapala, named by and with the President's consent, notified me that he had been directed to report whether he was for or against Soriano.[4]

It seems that Soriano, who actually holds the rank of Colonel in the Salvadorean Army, and his brother Andres Soriano (at

[1] Not printed.
[2] President Bertrand.
[3] Telegram of Feb. 16, 9 p.m.
[4] Nazario Soriano, brother-in-law of President Bertrand; candidate for the Presidency of the Republic.

present Minister of War here) were both born and reared in Salvador and have spent little of their lives in Honduras. Soriano seems to be Salvador's candidate. There seems to be a mystic link of fellowship between General Castillo Corso (Mexican) Chief of Police, the President's personal guard, protector and friend, and Alberto C. Franco, the Mexican Minister Resident, and they are in constant association.

General Andres Leiva, Comandante at Amapala, has been called from Amapala to Tegucigalpa and it is reported that General Corso is to be in charge of the Pacific Port as Comandante and another Mexican in charge on the North Coast, at Puerto Cortez.

President Bertrand is making the most searching and scientific use of the *Concealed Weapon* that it is possible to make, overlooking absolutely nothing and suspending or rather abrogating every Constitutional Guarantee. It is worth a man's liberty to "viva" for Membreño (Doctor Alberto Membreño).[5] The opposition has been forbidden to hold meetings or send messengers; notice has been served and posted in all directions and a violation of a rule or order means arrest and jail.

Just this moment Saturnino Medal, former representative of Honduras, as Judge, in the Central American Court of Justice, has called to show a memorandum disclosing that President Bertrand has notified the United Fruit Company, through Mr. Howard C. Woodsum, its local representative, that he, Medal, must be dismissed as attorney for that Company and for the Tela and Trujillo Companies; Bertrand naming J. Antonio Rivas (another brother-in-law of the President) to take his place, because Doctor Medal was not in accord with his administration politically.

I also have evidence, which I believe, that he has demanded the discharge of Doctor Rafael Alvarado Guerrero (former Private Secretary to President Bertrand) as attorney for the New York and Honduras Rosario Mining Company, naming the same J. Antonio Rivas, his brother-in-law, for the place: also for the discharge of Ruben Barrientos as attorney for Vaccaro Brothers and Company of New Orleans, and the Cuyamel Fruit Company.

Bertrand recognizes the danger of his position. He has more than doubled all guards in all directions and he is arranging with all haste to remove to a safe central place in this City, where he may be better protected. He has challenged and invited revolution and bloodshed. . . .

The opposition is strong, earnest and determined and my belief is that unless outside arms and money be provided, it will sweep the

[5] Vice President of the Republic; candidate for the Presidency.

Republic. These from Salvador are openly declared to be the threat, though I have not sufficient evidence, yet, to give this absolute credence.

I am writing earnestly, in detail and at length, as I realize the responsibility that rests upon me and my duty to aid in preventing bloodshed and revolution with all the energy I possess.—I crave your definite instructions.

I have [etc.] T. SAMBOLA JONES

815.00/1816 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *March 15, 1919, 7 p.m.*

Your despatch No. 137 of February 17.

You are instructed to intimate orally to President Bertrand that this Government expects a fair election in Honduras.

If you substantiate the fact that President Bertrand has notified the United Fruit Company through Woodsum that its attorney must be dismissed, you are instructed orally to intimate to President Bertrand the surprise this Government feels at his action in this and similar cases.

POLK

815.00/1821 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *March 18, 1919, 6 p.m.*
[*Received March 21, 11.31 p.m.*]

Referring to your telegram March 15th, 7 p.m. Today I had an interview with President Bertrand who emphatically denied threatened disorders and said not only quietude prevailed, but not a political prisoner was in jail today in the entire Republic and that there would be free elections.

He said that foreign companies here always inquired as to who was *persona grata* with the Government and that this had been recently done, that some one advised Woodsum who called, inquired, and was told the facts. Bertrand said that it was natural and proper that these corporations should have attorneys agreeable to those with whom they dealt, but that he had made no demands. As no specific complaints have been made to me by the corporations I could not argue though they advised me that they had been forced to make the changes to keep in with the Government.

JONES

815.00/1819 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *March 20, 1919, noon.*
[*Received 11.56 p.m.*]

Referring to my cable of March 18th, 6 p.m. Notwithstanding the protestations of President Bertrand of absolute freedom of action of the opposition and no knowledge jail victims two prominent citizens, Manuel Calderon, proprietor, and Paulino Valladares, editor of *El Cronista*, were imprisoned last night without hearing or bail and are still held. Two Congressmen filed earnest protest with me showing article on President Wilson's philosophy written in the abstract but printed in defiance of the censor, which caused arrests.

. . . . . .

JONES

815.00/1853 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *May 12, 1919, 11 p.m.*
[*Received May 13, 11.20 p.m.*]

United States Ship *Machias* arrived at Amapala this afternoon. Recommend its presence until further developments warrant withdrawal.

JONES

815.00/1888 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *July 18, 1919, 4 p.m.*
[*Received July 20, 1 a.m.*]

The situation here extremely grave. Bertrand executed *coup d'état*, assuming dictatorship last evening, sequestered all opposition publications and printing outfits, including *El Cronista*, arrested all the employees. During the night soldiers occupied all vantage points in the city and pillaged. Ten most prominent citizens arrested, placed in penitentiary and flogged. All prisoners are being badly beaten before incarceration; policemen and military guard home of all opposition leaders. Latest information is that those not now under arrest will be taken from their homes by force this evening; some homes already entered, the doors being battered down by military and police.

Last night deputy made earnest appeal to me for president[ial candidate] Rafael Lopez Gutierrez and today another delegation declared he was not only ordered incarcerated in the penitentiary but in case of trouble he would be assassinated together with other opposition leaders.

I am informed unofficially but from reliable source that General Corso, a Mexican, until today Chief of Police of Tegucigalpa, has been made Generalissimo in full charge of whole Republic; General Ciromora of Salvador, recent Chief of Palace Guards, has been made Chief of Police.

. . . . . .

I am besieged by officials for asylum at the Legation and protection. The foregoing is confirmed by French and British consular officers. JONES

815.00/1890 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *July 19, 1919*, [*11 a.m.*]
[*Received July 20, 11.16 a.m.*]

Believed to be in peril of life and limb, General Saturnino Medal has taken refuge temporarily in the Legation. No demand has been made on me for release by the Government. Most prominent men under political charge brutally treated and placed in penitentiary and I believe lives in peril. Please advise me definitely in the premises immediately after enciphering [*sic*] the above. Silverio Lainez, Lopez Padilla and Colonel Raimundo Valladares [also given refuge]. JONES

815.00/1891 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *July 19, 1919, 1 p.m.*
[*Received in sections, July 20, 12.30 p.m., and July 21, 3.42 p.m.*]

Supplementing my July 18, [4 p.m.,] the Government placed armed guards almost directly in front of the Legation door last evening and blockaded the street at all entrances. The Legation has been practically blockaded from 6 p.m. up to the present time. Not only casual visitation and search [*sic*] but Americans having business at the Legation were stopped, held up and forbidden the right to proceed. They say among those stopped were Major E. A. Burke, Harry Downing and the brother of the British Consul, the last two being required to engage the services of the British Consul

in order to find their way to the vice chancellor [*American Legation?*] and others were similarly treated including some ladies.

I went immediately in person to see President Bertrand and entered vigorous protest demanding that these guards be immediately removed and the Legation open to free access on all parts of the streets. The President professed no knowledge of these conditions and immediately telephoned rescinding the order and removing the guards. After a brief period I made a personal inspection, found two secret service men directly in front of the Legation doors and the officers at all avenues of approach to the Legation, the only change made being that those nearest the Legation had been moved a few feet to the side of the streets. I then sent a written protest and demand that they be immediately removed which the President promised faithfully to do but at midnight when I retired all avenues were still guarded with armed policemen and cavalrymen.

. . . Armed policemen are forcibly entering into houses in search of leaders of the opposition. The situation can scarcely be worse. I am in close touch with the captain of United States Ship *Machias* at Amapala and request that it remain there.

About 75 armed policemen and soldiers have surrounded the residence of Silverio Lainez, former Secretary of State for Foreign Affairs and brother to Alberto Membreño, and it is believed that if caught he will be in great peril. Bertrand resorting to flogging specifically prohibited by the Constitution of the Republic. I await your instructions. Please advise time of receipt.

JONES

815.00/1891 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *July 20, 1919, 11 p.m.*

Your July 17, 6 P.M.[4] July 18, 4 P.M. July 18, 5 P.M.,[4] July 19 [, 11 A.M.,] and July 19, 1 P.M. Department deeply concerned over action of Bertrand in assuming dictatorship as reported by you and desires all possible information in that connection. Has he openly proclaimed himself dictator or has he taken control of country under provision of constitution. What information have you obtained relative conspiracy to depose present administration as reported in your July 18, 5 P.M.[4]

In regard to granting asylum in legation to political leaders you are directed to use your utmost discretion and are referred to the Department's publication entitled "Instructions to Diplomatic Officers". Your action should be guided by these instructions.

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[4] Not printed.

Have any American citizens been maltreated or has any American property been injured. Do you think that American lives or property are in danger?

Your action in requesting that Americans be given free access to the Legation as reported in your July 19, 1 P.M. is approved but you are cautioned not to interfere in any internal political matters without precise instructions from Department.

If you consider advisable you may request the commanding Officer of the U.S.S. *Machias* and his aide to come to Tegucigalpa to be with you at this time.

The Department desires that you seek earliest opportunity to call upon President Bertrand and convey to him orally the substance of the following statement: The Government of the United States, in the light of the past friendly and informal communications to the Government of Honduras relative to its great interest in seeing its sister Republic of Honduras continue to develop its life along those broad lines of freedom in elections and the peace and harmony to which it has been accustomed, cannot but view the present situation with very considerable apprehension. The Government of the United States therefore considers that it is its duty to reiterate its former statements in connection with the hope which it has expressed concerning the freedom of elections and wishes to inform the Government of Honduras that its friendship for the people of that Republic and its desire to see peace prevail in all parts of the Western Hemisphere, necessitate its very close scrutiny of the present conditions and require that its future attitude toward those in control of the political destinies of that country be guided by their actions.

In bringing the substance of the foregoing to the attention of Bertrand the Department relies upon you to exercise your utmost tact and discretion. Keep the Department fully informed as to any change in situation.

PHILLIPS

815.00/1897 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *July 22, 1919, 11 a.m.*
[*Received July 24, 9.45 a.m.*][5]

General Rafael Lopez Gutierrez is reported to have started revolutionary movement, taken several towns and is said to be at San Fernando 40 miles from Tegucigalpa. Today at about 9 p.m. [*a.m.?*] the Government sent 300 troops in pursuit of him. The situation here continues grave in the extreme.

[5] Text printed from corrected copy received July 29, 12.02 a.m.

American Vice Consul at Puerto Cortes reports [conditions] there alarming. I recommend presence of war vessel at that place.

Nearly all male population of Tegucigalpa not in Government service have fled from the city.

JONES

815.00/1896 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *July 23 [21?], 1919, 11 p.m.*
[Received July 24, 2.15 a.m.]

Immediately after receipt of your cable of July 20, 11 p.m. I requested audience with Bertrand. I called upon him at 8 p.m. and delivered orally the substance of your message to him in a polite but emphatic manner. He replied that unless furnished in writing, formally and officially, he could make no reply, that his eyes and ears were closed to everything not officially presented. He expressed appreciation and thanks for friendly interest of the Government of the United States for peace and harmony in Honduras and said that it has been and will be his endeavor to always maintain very best relations with the Government of the United States but made no reply as to freedom in elections.

President Bertrand informed me that he would send a new Minister to Washington very soon but did not mention his name.

. . . . . .

JONES

815.00/1907 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

[TEGUCIGALPA,] *July 25, 1919, 3 p.m.*
[Received July 29, 2.35 p.m.]

Your July 23, 5 p.m.[6] Please refer to my telegram of July 21, 11 p.m.[7] Bertrand refused to make response to statement I communicated to him in accordance with your July 20, 11 p.m., requesting that they be given in writing and I immediately cabled for your instructions. Crisis so far as concerns Legation's protection has seemingly passed and I do not consider necessary at this time to have commanding officer of *Machias* here. Bertrand has made reply for blockading streets leading to Legation claiming his legal right for the capture of politicians, but has removed guards at my

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[6] Not printed.

[7] See *supra*.

request and as he declares necessity for them no longer exists. Grounds for asylum: their declaration and my belief of imminent peril of lives. Result of asylum: exiling of those given asylum. There are no officials of present Government. Other Legations here Mexican, Salvadorean, Guatemalan, Nicaraguan. Mexican and Salvadorean Ministers are Bertrand's advisers. Known enmity existing with Guatemala doubtless prevented application for asylum at the Legation. Nicaraguan Chargé d'Affaires absent.

Right of asylum fully sanctioned and recognized tacitly, explicitly and officially by authorities in Honduras and Bertrand said to me he would himself grant asylum to any one soliciting it and that he himself might some day have to request asylum at the Legation. British Consulate at Tegucigalpa has four refugees.

Cable [omission] revolutionists cutting wires, therefore sending cables to the Department via *Machias* Amapala.

JONES

815.00/1933 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *August 11, 1919, 9 a.m.*
[*Received August 14, 1.15 a.m.*]

Bertrand sent for the Nicaraguan Charge d'Affaires this afternoon and asked him to solicit permission from his Government for Honduranian troops to operate in Nicaragua to dislodge revolutionist reported to be in disputed territory near the Nicaraguan boundary. The Nicaraguan Charge d'Affaires promptly assured Bertrand that his Government would not grant permission and he stated to me that only upon intimation [from] Washington would his Government take action.

Above sent to Legation at Managua.

JONES

815.00/1970 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *August 26, 1919, 10 a.m.*
[*Received August 30, 1.05 p.m.*]

The President offering the opening I had two hours confidential talk with him last evening. He presented his side with profound earnestness declaring General Gutierrez had arranged uprising for August 25 and he merely anticipated this by a month, deprecated bloodshed and wanted peace and order. I told him if he requested

I would submit for your approval any favorable proposal of settlement, the trend of conference justifying it. I suggested an immediate truce and an agreement, satisfactory to opposition, for free election without military interference, or each side to select not more than six with an impartial umpire, the candidate selected to be supported by all. He said earnestly: "Wait a few days, say one week, and let me see if I can not terminate revolution, if not I will send for you." We closed conference under solemn [garbled group] pledge and he thanked me again and again. I suggest that you instruct me to say how distressing the situation is to all friends of Honduras and Central America and urge him to make sacrifices to protect the situation and that in this interest you tender your good offices or something stronger. He advised me of pending engagement at San Pedro Sula and frontier near Nicaragua yesterday or today and its results may change his attitude.

JONES

815.00/1958 : Telegram

The Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *August 29, 1919, 3 p.m.*

Should the occasion offer you may inform President Bertrand that the Government of the United States could not view with indifference the violation of Nicaraguan soil.

LANSING

815.00/1970 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *September 5, 1919, 11 p.m.*

In your August 26, 10 a.m., you state that in answer to your suggestion to President Bertrand of a truce and an agreement leading to a free election he said that if the revolution had not terminated in a week he would send for you. Since he has not done so you may inform him in writing as follows:

"The Government of the United States, animated only by the most friendly feeling for the people of Honduras, has in the past few months felt much concern regarding the various measures employed tending to make it difficult, if not impossible, for the people of Honduras to express freely their political aspirations in the coming elections, and has urged President Bertrand to take measures to secure the holding of a free election which would represent the will of the people and could therefore be viewed as of binding force.

This Government views with the greatest concern the revolution now in progress in Honduras which has already led to the loss of life, and feels that a peaceful agreement should at once be reached between President Bertrand and the opposition which would bring to an end the present political strife and guarantee free elections. This Government cannot but believe that President Bertrand and the people of Honduras share its desire that the destruction of lives and property cease and that peace be restored and maintained. Therefore this Government desires to inform President Bertrand that any suggestion from him would be welcome which would invite the use of the good offices of the United States similar to the use made of them from January to March, 1911, during the political disturbances then existing in Honduras.[9]

Should President Bertrand not be willing to take this action which would tend to reestablish satisfactory conditions immediately, the Government of the United States will be obliged to consider actively assisting in the reestablishment of order and in the overseeing of the coming presidential elections."

If the good offices of the United States are requested by President Bertrand you should so inform the leaders of the revolution and invite a similar suggestion from them.

PHILLIPS

815.00/1985 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 9, 1919, 11 a.m.*
[*Received 11.45 p.m.*]

President Bertrand has deposited the executive power in the hands of Council of Ministers last night [10] and has left for Amapala under escort of United States naval officer and members of diplomatic corps to take passage on the steamer *San Jose* for the United States via [Panama?]. Minister of War, Minister of Fomento, Minister of Foreign Affairs and Minister of Public Instruction resigned. Santiago Meza Calix, Governor of Tegucigalpa, appointed Minister of War; Jesus Bendana, Minister of Foreign Affairs; Federico Smith, Minister of Public Instruction; Hector Valenzuela, Minister of Fomento.

It has been agreed to arrange an immediate truce with General Lopez Gutierrez and other revolutionary leaders. Prisoners broke from jail last night, 10 killed in streets Tegucigalpa at that time.

It is very likely that I shall ask Admiral Wood to furnish Legation guard with the approval of the Honduranean Government

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[9] See *Foreign Relations*, 1911, pp. 291 ff.

[10] The decree effecting the transfer is dated Sept. 9 (File No. 815.00/2094).

as it is feared Government and revolutionary forces will be uncontrollable on entering Tegucigalpa. Liquor supply now being destroyed. Lopez Gutierrez will be asked to take charge all troops in and around Tegucigalpa. Admiral Wood and two officers are now with me in the Legation.

JONES

815.001B46/12 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 9, 1919, midnight.*
[*Received September 11, 2.45 p.m.*]

President Bertrand, who resigned last night, and his family left capitol for San Lorenzo at 3.30 p.m., attended by lieutenant commander of United States Navy, Legation clerk, and armed guard. Armed boat from [U.S.S.] *Chicago* will meet ex-President, San Lorenzo, take him to steamer *San Jose* Amapala for transportation to Panama.

Political prisoners being released. Amnesty granted to all. New cabinet ministers, of Foreign Affairs, of Public [Instruction?], of Government, met members of Diplomatic and Consular Corps at American Legation this afternoon; conferred upon matters for public safety. It was agreed to (1) at once grant amnesty and release all political prisoners; (2) appoint commander in chief to administer military affairs who could give some guarantee of safety and order in the city; (3) to destroy all liquor which could possibly be reached by troops or irresponsible persons; (4) the Diplomatic Corps, with representatives of Government and the proper forces, to form committee of safety to at once notify all political prisoners before they are released, all consular officers, commandants, and representative men in all parts of Republic of the sense of this conference. This committee of safety went into operation on the conditions named at 5 p.m. and published this notice and Government issued notices granting amnesty to all.

JONES

815.00/1985 · Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *September 10, 1919, 6 p.m.*

Your September 9, 11 a.m.

The Department is anxious to know in whom the Council of Ministers intends to deposit the executive power. It is hoped that

such action will be taken as will insure the continuity of the constitutional government. To effect this end, it would appear that in view of Article 105 of the Constitution of Honduras and in view of the fact that the Vice-President and First Designado are both candidates for the presidency, the executive power should be deposited in Francisco Bográn, who the Department understands is the Second Designado.

The recent political disturbances in Honduras appear to have been caused by apprehension on the part of presidential candidates regarding the freedom of the presidential elections. In order therefore that revolutionary activities may cease at once, you are instructed to suggest to the Honduran Government that all candidates for the presidency be invited to a conference to be held in Tegucigalpa at the earliest possible date to confer upon ways and means to insure that the coming presidential elections shall be entirely free and shall express the will of the people of Honduras.

PHILLIPS

815.00/1999 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 12, 1919, 3 p.m.*
[*Received September 14, 11.09 a.m.*]

Your September 10, 6 p.m. Repeatedly urged that a President *ad-interim* be named and again yesterday urged Council of Ministers to name Bogran. Minister of War insisted on telegram from Membreño first or he would resign. At a meeting this morning which I attended Council of Ministers decided to deposit the executive powers in Bogran and upon urging immediate action they sent a telegram calling him here, agreed to give widest publicity to this action. They believe he will accept. Received more favorable telegrams today notably from the north coast. Council of Ministers informs me they will not offer resistance to Gutierrez if he comes with armed force, but that they will file protest and deliver Government to the Diplomatic Corps to be held until Bogran comes. Gutierrez is reported to have 2,000 men. I am using every effort to keep his troops from entering the city unless unarmed.

Presumed [*Presuming?*] that Bogran declines, Nicaraguan citizen who is close personal friend of Cordova tells me Cordova, Third Designado, and who will be named next, has told him that he will immediately make a written request for American intervention. Admiral Wood says that he is far short of men in such an emergency. Directly President is installed will submit proposals for conference between presidential candidates.

JONES

815.00/2011 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 15, 1919, 11 a.m.*
[*Received September 19, 8.30 p.m.*]

Referring to my cable of September 12th, 3 p.m. Bogran accepted and expects to arrive here about the 23rd instant.

JONES

815.00/2012 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 15, 1919, 12 noon.*
[*Received September 19, 8.30 p.m.*]

Referring to my cable of September 12th, 3 p.m. Apparent quietude prevails. Sent special messenger and two delegations to confer with Lopez Gutierrez and endeavor to prevent his troops entering Tegucigalpa armed. He agrees to stop at [Toncontín] and occupy surrounding grounds about three miles from Tegucigalpa and hold conference to-day. He claims the success of revolution highest exponent of popular will and proposes to occupy all barracks and exercise practical military dictatorship while expressing great satisfaction with Bogran and anxiety for free elections. Official notification to Bogran seems to have been held up by revolutionists until Lopez G. reached here, and he states that he cannot await arrival of Bogran as it will be too long. Willy Debbe of Rossner and Company, Amapala, among his chief advisers.

Council of Ministers authorize me to offer Lopez conference with all contending parties on an American war vessel in order to insure complete impartiality and freedom of action, Membreno's followers not participating. Please cable Admiral Wood to remain at Amapala and await these developments.

Should Lopez G. insist on using force, which seems very improbable, Membreño's followers might join Government forces and reopen the revolution. Council of Ministers will make no armed resistance but will abandon their offices if Lopez G. insists on occupying Tegucigalpa by force, thus placing entire responsibility upon him.

Please instruct me should Lopez G. refuse to accept conference and assume authority.

JONES

815.00/2025 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 16, 1919, 11 p.m.*
[*Received September 20, 7 p.m.*]

Referring to my cable of September 15, noon. Today at 5 p.m. Antonio Lopez G. called to announce perfect agreement between the Council of Ministers and his brother for him to name three cabinet members, governors and military chiefs in nine provinces and for his troops to enter Tegucigalpa tomorrow and occupy barracks, stating that free election would be guaranteed and given but refusing to consider Membreño as presidential candidate or his party as having any claim or entitled to any participation in the coming elections.

JONES

815.00/2020 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *September 17, 1919, 5 p.m.*
[*Received September 20, 2.45 p.m.*]

General Lopez G. entered Tegucigalpa today at 4 p.m. with approximately 600 men partly armed, without resistance. Little enthusiasm displayed by populace.

JONES

815.00/2035 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *September 20, 1919, 7 p.m.*

Your September 15, 12 noon.

Mr. Johnson, of the Latin American Division of the Department of State, has received the following cable from Antonio Lopez Gutierrez, "The invincible revolution which broke out to uphold Honduran institutions has triumphed throughout the republic. We are striving to maintain constitutional order. The second designado, Doctor Bogran, has been called upon to take charge of the government and to proceed to hold free elections, but Doctor Membreño's party without awaiting the result of this measure has taken up arms in some places to maintain peace and order. It is necessary that a strong and central government be created. We desire that the Department of State lend us its moral support to this end. Immediately the country is pacified we shall proceed to hold wholly impartial elections, which is the principle proclaimed by the revolution

at its institution. If Doctor Bogran takes over the presidency, the leaders of the revolution ask the right to name three ministers as a guarantee, leaving to Doctor Bogran the right of naming three others. We trust that the Department of State through its interest lest Honduras be given up to anarchy, will approve this plan, rational as it is."

You are instructed to remind Gutierrez of his conversations with Johnson in which he was informed that the desire of this Department was to see maintenance and continuity of constitutional order in Honduras and to see free elections which should place the man chosen by the will of the people in the presidency. Department is pleased to note that Gutierrez is " striving to maintain constitutional order " and expresses great satisfaction with Bogran (See your September 15, 12 noon) who is soon to become the legitimate head of the constitutional Honduran government. It hopes that Gutierrez will take no step which will lay him open to the charge of establishing a dictatorship; that he will support the constitutional head of the Government; that he will cooperate in inviting Membreño to return and attend a conference at which mutual guarantee will be given for the holding of a free election in which all candidates may have the opportunity of taking part and which may therefore be viewed as of binding force.

Department informed by Navy Department that USS *Baltimore* will take place of the USS *Chicago*.

PHILLIPS

815.00/2094

The Minister in Honduras (Jones) to the Secretary of State

No. 318 TEGUCIGALPA, *September 23, 1919.*
[*Received October 22.*]

SIR: I have the honor to refer to my Most Urgent cablegram of the 9th instant, 11 A.M.,[11] and to that of the same date, 12 Midnight,[12] in which I advised the Department of the deposit of the Executive Power by Doctor Francisco Bertrand and the granting of a general amnesty, and other agreements entered into as a result of the ex-President's departure.

In this connection, I have the honor to attach hereto a copy and translation of the Note addressed to me by the Secretary for Foreign Affairs, which is an acceptance of the Department's suggestions contained in its cable instruction of September 5–11 P.M.[13]

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[11] *Ante*, p. 384. [12] *Ante*, p. 385. [13] *Ante*, p. 383.

Also, I attach hereto a copy and translation of the Decree depositing the Power in the Council of Ministers,[14] as well as a copy and translation of the Amnesty to all prisoners issued by the Council of Ministers, under date of the tenth instant.[14]

And, lastly, a copy and translation of an "Important Resolution" taken by the Council of Ministers for the direction of the affairs of the Nation.[14]

I have [etc.] T. SAMBOLA JONES

[Enclosure—Translation]

The Honduran Secretary of State for Foreign Affairs (Bendaña) to the American Minister (Jones)

TEGUCIGALPA, *September 9, 1919.*

[MR. MINISTER:] Doctor Francisco Bertrand, having, by virtue of a Decree of this date, deposited the Power in the Council of Ministers, has placed in my hands the Note from Your Excellency dated the sixth instant,[15] in which you call the attention of the Government to what was communicated to you by the Government of the United States of America, stating, at the same time, that any suggestion from the Government of Honduras, which would invite the use of the good offices of the United States to mediate, in a friendly manner, with regard to the difficult situation confronting it, would be welcome; requesting, at the same time, an immediate answer to your note above referred to.

By instructions from the Council of Ministers, which, at the present time, exercises the Executive Power, and in due reply to your communication above mentioned, I have the honor to state that the Government of Honduras accepts the friendly mediation which the Government of the United States of America generously offers through you.

In virtue thereof, I beg to insinuate [*suggest*] to you that in order to avoid further bloodshed and loss of property it would be, in the judgement of the Government, of the greatest convenience, to take the most rational steps in order that the suspension of hostilities between the forces of the Government and the combatting bands be effected immediately. The Government of Honduras urges you to agree to this preliminary step.

I avail myself [etc.] JESÚS BENDAÑA

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[14] Not printed.

[15] See telegram of Sept. 5, 11 p.m., to the Minister in Honduras, p. 383.

815.00/2058 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *October 2, 1919, 11 a.m.*
[*Received October 4, 4.15 p.m.*]

Your September 10, 6 p.m. Francisco Bogran arrived here September 29th and will assume the Presidency on the 5th instant 3 p.m.

JONES

815.00/2062 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *October 6, 1919, 9 a.m.*
[*Received October 7, 2.15 a.m.*]

My telegram of October 2nd 11 a.m. Inauguration of President Bogran took place at 3 p.m. yesterday with great popular demonstration.

JONES

701.1511/108 : Telegram

The Consul in Charge of the Legation in Honduras (Lawton) to the Secretary of State

[Extract]

TEGUCIGALPA, *October 24, 1919, 10 a.m.*
[*Received October 25, 11.50 a.m.*]

. . . The President also asked me if possible to secure from the Department an expression of the attitude of the Department towards his administration and approval of official acts to date.

LAWTON

815.00/2108

The Consul in Charge of the Legation in Honduras (Lawton) to the Secretary of State

No. 506 TEGUCIGALPA, *October 27, 1919.*
[*Received November 12.*]

SIR: I have the honor to submit the following statement concerning political conditions in Honduras since my arrival on October 17th.

Both the Gutierrez and Membreño leaders have called frequently at the Legation, more particularly those of the Membreño faction in the hope to secure my cooperation to have the date of the Presidential elections postponed. General Rafael Lopez Gutierrez has also called and I have had frequent audiences with President Bográn. To all

parties I have indicated the hope expressed by our Government that the elections should be free and that the successful candidate should represent the choice of the people. I have also discreetly referred to the unfortunate situation in Costa Rica for the last two and a half years caused by illegal election methods whereby the American Government was unable to give official recognition to the candidate selected.

The Lopez Gutierrez or revolutionary forces have not been demobilized in all parts of the country, partly on account of insufficient funds for paying them off and partly because the Sub-chiefs in those sections have wished to continue in control of the situation until after elections, or rather have not been amenable to orders from the Provisional President. This is notably true in the case of the northern districts where General Jesus Ernesto Alvarado is in control. This has naturally given rise to much complaint from the Membreño party, who allege that the elections in those parts of the Republic will be dominated by force of arms and therefore illegal under the Constitution. The Membreño partisans also claim that President Bográn is completely under control of the Gutierrez chiefs, and, while admitting his sincerity and desire to provide an impartial government, they also claim that, being surrounded by Gutierrez sympathizers and the Governors of all provinces also Gutierrez nominees, it is impossible for Doctor Bográn or the country to have free elections. The Membreño party at first intended to issue a proclamation asking Membreño sympathizers to refrain from voting on the grounds above recited, but I suggested to them the possibility of thereby losing the legal right of protest under the Constitution in the event that election abuses were practiced such as they feared. They thereupon decided to continue in the campaign.

President Bográn has talked frankly and openly with me and unquestionably desires the cooperation and good opinion of our Government. He has frankly told me that in some respects he is not able to control the whole country; has feared to issue definite orders in some directions, especially with regard to deposing some revolutionary Chiefs, and, rather than risk an open refusal, he has deemed it wiser to proceed slowly and gradually bring about the changes which are necessary in order that his authority be recognized in all parts of the Country. He has recited to me the difficulties about the elections; has asked me to offer any suggestions I desired and through the various Consular Officers to observe in any way possible the election proceedings in order to report thereon if desired. He asked to have a Naval vessel sent to La Ceiba for an official visit there during the elections in order to exercise a moral influence. I have told Doctor Bográn that as long as he shows a

desire to provide free elections, I would use my influence with our Government to have those elections recognized, even though in certain districts illegal methods were employed.

In this Capital, political meetings were held and demonstrations and parades in the streets by both parties. Thanks to efficient police help no disturbances occurred in these meetings, but on Saturday, October 25th., the day designated by Law for the selection of election boards (judges and clerks) a fight occurred just before twelve o'clock noon, the hour designated for the opening of the polls. Four or five shots were fired in the air and some heads were broken but no one was seriously injured. The Membreño party immediately issued a proclamation requesting their adherents to refrain from voting "to prevent the shedding of blood" which they allege was otherwise inevitable. Leaders of both parties immediately came to the Legation, each protesting that the other party was responsible for the incident. General Gutierrez also came, in person, expressing his regret for the incident but disclaiming any responsibility therefor on the part of his supporters. President Bográn also called me by telephone and asked that I come with the other members of the Diplomatic Corps to the Palace at the earliest possible hour. On meeting him, he recited the facts of the occurrance and his disposition of providing soldiers to guard the polls and patrol the streets in order to prevent any further difficulties. It was the consensus of opinion of the Diplomatic Corps that the President had acted entirely within his Constitutional rights and that the election could not be delayed on account of any such difficulty between political parties, nor could any such incident be considered as a proper claim for nullifying the elections.

The result of the election, while only for the installation of the boards and not the actual voting for President, indicated a Membreño majority in the districts of Santa Barbara, La Paz, Yuscarán, Amapala and one or two other sections. The balance were strongly Gutierrez and indicate that the election of Gutierrez is almost certain. I do not look for any further political disturbances of a serious nature. . . .

The Rockefeller Commission, consisting of Generals Gorgas and Leister and Doctor Pareja of Ecuador, who are here *en route* to Salvador from Nicaragua, studying yellow fever conditions, have been well received, and yesterday were officially banqueted by the Government, and, at the banquet, official recognition was made of the benefits of the Commission, the prowess of American medical methods and incidentally recognition of the American Government and President Wilson.

I have [etc.] E. M. Lawton

701.1511/108 : Telegram

The Secretary of State to the Consul in Charge of the Legation in Honduras (Lawton)

[Extract]

WASHINGTON, *October 29, 1919, 5 p.m.*

Your October 24, 10 a.m.

. . . . . .

Department is pleased with the acts of Bogran which have come to its notice.

. . . . . .

LANSING

815.00/2102 : Telegram

The Consul in Charge of the Legation in Honduras (Lawton) to the Secretary of State

TEGUCIGALPA, *October 30, 1919, 8 p.m.*
[*Received November 1, 10.30 p.m.*]

General Gutierrez elected President 76,000 votes to 18,000 votes for Membreño. No serious difficulties occurred during the election. Conditions are quiet. Membreno arrived at Amapala today. I have given my opinion to President Bogran that Membreno cannot now demand the Presidency as Vice President and that Bogran must remain in the chair until formally delivered to President elect. I would like instructions on this subject.

LAWTON

815.00/2102 : Telegram

The Secretary of State to the Consul in Charge of the Legation in Honduras (Lawton)

WASHINGTON, *November 12, 1919, 5 p.m.*

. . . . . .

You may inform President Bogran that the Department regards the executive power as being in his charge in accordance with the terms of the constitution of Honduras. (Article 106)

Your October 30, 8 p.m. Department believes that it is most advisable that executive power should remain in charge of Bogran until the expiration of the present term.

LANSING

815.00/2137a : Telegram

The Secretary of State to the Consul in Charge of the Legation in Honduras (Lawton)

WASHINGTON, *December 11, 1919, 3 p.m.*

You may make known the fact that the recent election having been held in accordance with the Honduran Constitution, the United States Government regards Lopez Gutierrez as entitled to assume the executive power on the date set for the beginning of the new presidential term.[15]

LANSING

AMENDS MADE FOR AN INSULT TO THE AMERICAN FLAG

811.015315/3 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *December 9, 1918, 4 p.m.*
[*Received December 13, midnight.*]

I have received telegram from Major William Luckhardt that American flag and also British flag hoisted in honor of entry of President Bertrand in Juticalpa was torn down, desecrated, and insulted by group of drunken men. I requested full details, also action taken by local authorities, discussed the matter with the Foreign Office which promises thorough investigation and expressed strong desire to co-operate with me to solve the matter in most friendly attitude.

It is to be taken into consideration that many are endeavoring to cause Bertrand's administration all possible embarrassments. It is probably that in this case.

JONES

811.015315/6

The Minister in Honduras (Jones) to the Acting Secretary of State

No. 72 TEGUCIGALPA, *December 16, 1918.*
[*Received January 7, 1919.*]

SIR: Referring to my cablegram of the 9th instant 4 P.M. concerning the desecration of the American Flag by alleged drunken men at Juticalpa, I have the honor to report as follows:

As I informed you in my despatch No. 68 of the 9th instant,[16] in view of the very friendly and cordial expressions and relations at all times existing in my dealings with the President and his Cabinet,

[15] He was inaugurated Feb. 1, 1920 (File No. 815.00/2153).
[16] Not printed.

I called informally upon the Under Secretary for Foreign Affairs and after giving him all the details in hand suggested, in response to his request, that an investigation and punishment of the offenders and an expression of regret, which I knew the President felt, would be quite agreeable. To my surprise, a day or two later, the Under Secretary for Foreign Affairs called with a telegraphic communication from President Bertrand saying that the men were drunk and the Flags were without official standing, in any case. There were neither regrets expressed or the slightest suggestion of investigation or punishment. After maturely considering the whole matter and believing that an acceptance of such a reply was intolerable, and believing further that an utter failure of the Government to investigate and to punish the offenders or to even take the matter seriously, would invite other insults and abuses and open the door to unending friction, I addressed the Foreign Office in a formal Note, copy of which is hereto attached.

He had promised to furnish me with a copy of the telegraphic memorandum of the President above referred to, but to the present time failed to do so. Since then he has stated that he was carefully considering my communication and would later make reply.

Three things stood out in my mind in considering this entire incident:

1st. The occasion was a demonstration in honor of the Honduranean President and the Flags were displayed by official leave.

2nd. The offenders were drunk but just drunk enough to desecrate the American and British Flags but sober enough not to touch the Honduranean Flag.

3rd. The President had as his guest and adviser, at Juticalpa at the time, Mariano Vasquez, former Secretary for Foreign Affairs and who, it is reported, will be the new Secretary for Foreign Affairs, and an active propagandist of Central American union . . .

I hereto attach copy of certification from Major William G. Luckhardt in relation to the matter, which was received to-day.[16]

I have [etc.] T. Sambola Jones

[Enclosure]

The American Minister (Jones) to the Honduran Under Secretary of State for Foreign Affairs (López Ponce)

Tegucigalpa, *December 11, 1918.*

Mr. Sub-Secretary: After thoroughly considering the informal telegraphic reply of His Excellency President Bertrand to the complaint made on account of the desecration of the American Flag

[16] Not printed.

by a drunken mob at Juticalpa, which reply you handed me this morning, I have deemed it proper to call to your further consideration and, through you, to the attention of His Excellency, President Bertrand, the following facts, viz:

Under the laws and usages of the United States Government, there is no added or sacramental import to an official Flag, in contradistinction to an unofficial Flag and no official authorization is required to display a Flag. Besides, I have been officially informed that the consent of the local authorities had been obtained for the display, not only of the American, but of the British and Honduranean Flags on the occasion referred to. This outrageous insult had added significance and affront by reason of the fact that the display of the American Flag was intended as a compliment and honor to the President of a friendly Sister Republic.

Under the uniform interpretation of the law, a man in a state of inebriation is not excused from the penalties of his crime because he was drunk. If such were the case, the plea of drunkenness would undo and set at naught every process of punitive justice. At this particular time, when the United States has passed through such an ordeal of blood and sacrifice in which its Flag has been the Emblem, not only of Honor and Justice but of supreme sacrifice, we have so jealously guarded and protected It and so regarded the slightest affront to its sacredness as that long years of penal servitude have been imposed upon those who have in the slightest degree, insulted or desecrated It. I am quite sure that my Government would view with regret and disappointment a dismissal of so grave a charge as that made against the drunken men who not only insulted its Emblem, but tore It down and desecrated It, with a mere statement that they were drunk and that the Flag had no official standing.

I am equally sure that your Government, so closely allied with Mine in recent difficulties, not only in sentiments and sympathies, but in deeds and acts; so generously and cordially disposed in every matter related to their mutual relationships, reprobates and discounternances all such acts as those complained of. I deem it, therefore, pertinent to ask that the guilty parties be sought out and punished and that the usual sentiments between friendly Governments in such circumstances be expressed.

I take [etc.] T. Sambola Jones

811.015315/5

The Acting Secretary of State to the Minister in Honduras (Jones)

No. 285 Washington, *January 3, 1919.*

Sir: The Department acknowledges the receipt of your telegram of December 9, 4 p.m. and of your despatch No. 68 of the same

date[18] reporting that the American flag had been torn down and insulted by a group of inebriated Honduraneans in Juticalpa on the occasion of the visit of President Bertrand on December 7th.

Your action in informally taking the matter up with the Honduran Minister for Foreign Affairs and in requesting full details is approved. You are hereby directed to inform the Minister for Foreign Affairs in an informal manner of the regret with which the Department has learned of this occurrence and to suggest that those responsible for the insult to the flag when apprehended be appropriately dealt with.

I am [etc.]

For the Acting Secretary of State:
ALVEY A. ADEE

811.015315/6 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *January 16, 1919, 5 p.m.*

Your telegram December 9, 4 p.m. and despatch No. 72 of December 16.

Should you not have received satisfactory reply to your note of December 11 to Minister for Foreign Affairs, you will request immediate suitable amends from Honduran Government for insult to flag.

POLK

811.015315/10

The Minister in Honduras (Jones) to the Acting Secretary of State

[Extract]

No. 156 TEGUCIGALPA, *February 27, 1919.*
[*Received March 26.*]

SIR: Referring to my cablegram of to-day, 3 P.M.,[19] I have the honor to inform you that the annoying Flag-desecration incident at Juticalpa, has been closed, to my mind satisfactorily, and I have so notified the Government of Honduras.

. . . . . .

I attach hereto a copy and translation of the Note from the Foreign Office, for your information.

I have [etc.] T. SAMBOLA JONES

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[18] Despatch not printed.
[19] Not printed.

[Enclosure—Translation [20]]

The Honduran Under Secretary of State for Foreign Affairs (López Ponce) to the American Minister (Jones)

TEGUCIGALPA, *February 26, 1919.*

In the courteous note of January 17th last, Your Excellency is pleased to state, with reference to your communication of December 11th, last, relative to the insult to the flag of your country, and to the reply in which I informed Your Excellency that my Government would take the necessary steps for the investigation of the case and the punishment of the guilty persons, that your Government has given you instructions to request that this unpleasant incident be closed.

Your Excellency is pleased to add according to what you have stated to me, personally, in our several conversations on this subject, that an expression of regret on the part of my Government, together with the customary apologies, would seem to be proper in the premises, and again you insist on such procedure with the conviction that this will bring about an early and friendly solution of the question.

I have to inform you that due to the severe epidemic which has existed, for some time, in the city of Juticalpa and in the towns of the Department of Olancho, to the end of causing delays in the public service and delays in the means of communication, it has not been possible for me to know the result of the investigation made by the authorities of the capital of that department, until the first of the present month, for the settlement of the incident alluded to, which is the reason why I had not replied before to-day to Your Excellency's note of the 17th of January, last, above referred to.

From the investigations ordered relating to that incident there does not appear to have existed any intention to cause injury to the flag of the United States; it resulted only from a wrongful act, in a state of drunkenness, for which the individuals Miguel Ordoñez, Rafael Hernandez and Manuel Sanchez deserved punishment, the last two named having quarreled; and it is evident from the same investigations that the said individuals were imprisoned, thereby suffering the punishment which they merit for such infractions according to the law of the country.

Notwithstanding these deductions, Excellent Sir, my Government regrets the incident referred to; and appreciates greatly that Your Excellency's Government wishes to close this matter, assured as

[20] Substituted for file translation.

it will be of the sincerity with which the Government of Honduras always endeavors to maintain the most cordial relations with the United States of America.

I avail myself [etc.] M. López Ponce

TREATMENT OF ENEMY PROPERTY [21]

763.72113/930a : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

Washington, *March 13, 1919, 5 p.m.*

Ames, special representative of War Trade Board and State Department, has been ordered to Honduras to endeavor to persuade the government to pass legislation for the liquidation and sale of German interests, similar to that passed by Guatemala and practically all other American governments which have declared war on Germany. You are instructed to give him every assistance and cooperation possible and to make such representations to the Government as you may deem proper and necessary.

Polk

763.72113/887 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

Washington, *March 13, 1919, 6 p.m.*

For Ames.

Referring my February 28, 1 P.M.[22] think it desirable for you to proceed immediately to Honduras and report fully as soon as possible prospects of success. Believe it will be impossible to induce Honduranean Government to pass desired legislation for liquidating German interests unless, 1. It can be arranged to have American interests purchase and operate business now German owned and to replace German credits as the commercial life of Honduras at present is financed largely directly or indirectly by Germans. 2. Also may be necessary to arrange if possible to have American banks refund debt of Honduranean Government under arrangements which would satisfactorily guarantee payment of interest and principal by Honduras as it is reported difficult for latter to obtain money anywhere except from private German banking houses in Honduras. Believe it may be possible to interest banks here in this proposition. After preliminary discussion with Honduranean

[21] Continued from *Foreign Relations*, 1918, Supplement 2, pp. 372–396.
[22] Not printed.

Government, report fully your opinion as to necessity of arranging for either one or both of the above propositions in order to secure desired legislation. In the meantime will endeavor to sound out interests in this country and will notify you as soon as possible if they are disposed to consider above favorably. If there appears to be no reasonable possibility of success in Honduras believe you should proceed from there to Nicaragua where we believe it will be easier to obtain desired results though situation of less importance than Honduras. Ely. Repeat to Tegucigalpa Honduras.

POLK

111.70Am3/17 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *March 26, 1919, 8 p.m.*
[*Received March 28, 1.50 p.m.*]

For Ely, War Trade Board.

Arrived Saturday, was presented to President Bertrand [yesterday] by Minister and the President has already in response to my suggestion that he designate a lawyer to work with me named Alberto Rodriguez apparently a suitable choice. There is a fair prospect of adequate action. Please cable me immediately regarding any defects in Guatemalan enactments [23] which it would be well to remedy in Honduranean law. Ames.

JONES

111.70Am3/17 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *April 7, 1919, 4 p.m.*

For Ames.

Your March 26, 8 p.m., I think generally the Guatemalan act would be improved by vesting in the Custodian rather than in the government title to enemy property and increasing his power to deal with the property which comes into his hands, particularly in respect of its sale. Clause C, article 1 of the Guatemalan decree [24] restricts definition of enemy corporations sufficiently to admit argument that only German corporations within Germany were affected. The definition of German nationals outside of Germany who are made enemies by reason of acts inimical to Allied cause should if possible as you attempted in Guatemala, be made retro-active, at least to the date of declaration of war by Honduras. If possible naturalized

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[23] See despatch No. 18, Feb. 24, from the Special Agent of the Department, p. 289.

[24] *Ante*, p. 291.

Hondurans of German birth who obtained local citizenship subsequent to August 1, 1914, should be excluded from any possible preference given to Honduran citizens as purchasers of seized property. Generally speaking I think that provisions for the permanent investment of the fund such as were proposed originally for Guatemala are preferable to the arrangements actually incorporated in the Guatemala statute, although I fully understand the difficulty of obtaining Government assent to a measure which restricts its control over the proceeds or which carries any implication of a want of confidence in the integrity of the local administration of the Act. I assume that the Administration which will be given to the Act if it is passed, will depend so entirely upon the personal inclinations of the custodian as interpreting the wishes of the President that extensive review of the procedure provisions of the Act is unnecessary. Ely.

PHILLIPS

763.72113/1032

The Special Agent of the Department of State (Ames) to the Acting Secretary of State

No. 19 WASHINGTON, *May 26, 1919.*

SIR: I have the honor to report that I left Guatemala for Honduras on March 18th in pursuance of Department's cabled instructions of February 28th as per copy attached [25] and reached Tegucigalpa on March 22d as reported in my cable of March 26th as per copy attached.[26]

From then on, until the passage of enemy property legislation by the Honduranean Congress on April 8th, things moved so rapidly that I believed my mission would be soon finished and held up my written report on it until I could make it complete. From April 8th on things moved so slowly that I feared such action as had already been taken would come to nothing and I was reluctant to report on it until I could make a definite statement as to whether the steps necessary to make it effective would or would not be taken. As soon as these steps had been taken;—i.e. as soon as the law had been promulgated and the Custodian appointed, I left Honduras for Washington, where I arrived on Wednesday, the 21st instant. Hence my delay in presenting this report on my mission in Honduras.

At my first interview with President Bertrand, on March 25th, I asked that a lawyer be at once appointed to assist me in the preparation of an Enemy Property Bill, pointing out the necessity for haste in view of the fact that Congress would adjourn on April 10th.

[25] Not printed. [26] *Ante*, p. 401.

and on the following day the President appointed Doctor Alberto Rodriguez.

Dr. Rodriguez and I got to work on the bill immediately, taking the Guatemalan law as a guide, and on April 2nd presented to Congress through the Foreign Office the bill which, with some slight modifications, eventually became law.

The law, like that decreed by the President of Guatemala, was made up of two principal parts, viz, a decree embodying the fundamental principles and a secondary part covering the *modus operandi*. A copy of the decree, which was passed by the Honduranean Congress on April 8th as Decree No. 140, is enclosed.[27] . . .

. . . . . .

A comparison of the law as passed by the Honduranean Assembly, with the Guatemalan decree, will show that in all cases in which the former differs from the latter it is an improvement on it. In this connection I venture to point out that, although in the last paragraph of my despatch No. 18 of February 24th,[28] which must have reached Washington early in March, I suggested, in view of the fact that I was going on to Honduras and Nicaragua, that "the Department immediately indicate to me any points in which it would have the laws to be enacted by those countries differ from that enacted by Guatemala", it was not until April 7th, and then only in reply to my cable of March 26th, that the suggestions asked for were given me. The bill had already been submitted and was passed by Congress on the day the Department's cable reached me. I enclose copy of Department's cable of April 7th.[29]

I enclose a copy of the "Reglamentary Part" of the Bill, the *modus operandi*, as presented by Dr. Rodriguez and myself.[27] This did not need the sanction of Congress, but was to be an executive decree. As finally published in the official *Gazette* the day before I left Tegucigalpa—too late for me to get a copy—it was, I am informed, identical with the original draft.

I also enclose, in copy, the Provisions of Honduranean Law cited in the *Modus Operandi* referred to in the preceding paragraph.[27] In view of the similarity of these provisions to those of the Guatemalan law and of the very careful translations I made of the latter, and the same applies to the Enemy Property Law and *Modus Operandi*, it seems unnecessary to append translations.

I submitted the bill prepared by Dr. Rodriguez and myself to the Acting Secretary of Foreign Affairs with a note under date of April 2nd, a copy of which is enclosed.[27]

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[27] Not printed.
[28] Extract printed on p. 289.
[29] *Ante*, p. 401.

As I have already said, Congress passed the Enemy Property Law on April 8th. In view of the fact that I was not presented to the President until March 25th this constituted almost a record for rapidity of action by a Central American legislative assembly.

It was the more remarkable too, in that the President had undoubtedly given the Germans concerned pretty definite promises that nothing would be done. I am convinced that the real reason why he pushed the bill through Congress was this: that his political plans made essential, in his opinion, the prolongation by Congress of the existing state of siege and that the only plausible excuse for its prolongation was the plea—which he made repeatedly to me—that such action against enemy property as was contemplated by the bill was unconstitutional and could be justified only by and during a state of siege.

He undoubtedly hoped and believed (see my cable of April 17, 1914 [*1919*]) [30] that other ways would present themselves by which the law could be made a dead letter and such ways soon presented themselves: the President and Vice President of Congress both left Tegucigalpa without signing the law and, although I was constantly urging the President to have the latter return to Tegucigalpa or to have the law sent to him to sign, he did not actually affix his signature to the law until April 23rd. The President signed it on April 25th. Then came another delay: to be officially promulgated the law had to be published in the official *Gazette* and it could not appear in the *Gazette* except in proper turn: several earlier numbers had to appear and it was not until April 30th that the *Gazette* of April 26th containing the law appeared.

Then came another delay in the appointment of a Custodian: the President had repeatedly declined to appoint him until the law should have been promulgated and it was not until Saturday May 3rd, that he finally appointed Mr. Joseph H. Weddle, an American citizen of excellent standing, formerly manager of the New York and Honduras Rosario Mine and latterly this Company's agent in Tegucigalpa. I proposed Mr. Weddle in response to the President's request that I suggest a Custodian and I am convinced that he was the best man available. It should be noted, in connection with his appointment that, while he nominally is given a fair salary $375.00 (dollars) a month, the salary is payable from the funds resulting from the operation of his office and I am very much afraid that the President will obstruct any and all action that might produce such funds.

On May 6th the *Modus Operandi* of the Enemy Property Law appeared in the *Gazette* and I felt free to leave Honduras in conformity with my cable of May 1st, copy of which is enclosed.[30]

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[30] Not printed.

Subsequent to my departure from Tegucigalpa the President appointed Salvador Zelaya as Counsel to the Custodian. I do not know Mr. Zelaya but Minister Jones, in informing me of the appointment by telegram—I was *en route* to the North Coast—said it "seemed highly satisfactory."

. . . . . .

I have [etc.] EDWARD WINSLOW AMES

763.72113/1013b : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *May 26, 1919, 6 p.m.*

See the President and endeavor to obtain at once an official list of the enemy properties taken over by the government, noting which of these have been actually sold and to whom, and also definite statement of exactly what an individual desiring to obtain one of these properties still unsold must do in order to consummate the purchase and complete turn-over to him of that property.

POLK

763.72113/1054 : Telegram

The Minister in Honduras (Jones) to the Acting Secretary of State

TEGUCIGALPA, *June 26, 1919, 6 p.m.*
[*Received June 28, 12.35 p.m.*]

Your May 26, 6 p.m. I have just received a note from President Bertrand to the effect that no enemy properties have been taken over up to the present time by the Government of Honduras and that inasmuch as Germans here filed protest to declare Honduranean alien property law unconstitutional nothing can be done until the Supreme Court renders its decision. Nothing definite can be obtained either from the President or Alien Property Custodian.

JONES

763.72113/1054 : Telegram

The Acting Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *July 17, 1919, 7 p.m.*

Your June 26, 6 p.m.

Has Supreme Court rendered a decision in regard to alien property law? What has the Government of Honduras decided to do in connection with the carrying out of subsection B of Section 4, Article 297 of the Treaty of Peace with Germany signed by the Honduran delegate in Paris, which provides that the allied and associated powers reserve the right to retain and liquidate all

property, rights and interests belonging at the date of the coming into force of the present treaty to German nationals, or companies controlled by them, within their territories, colonies, possessions, protectorates, etc.?

Strictly confidential. The Government of the United States, on account of the strategic and economic position of Fonseca Bay, would naturally view with more than considerable apprehension the return to German nationals of German holdings at Amapala. In your opinion would the Government of Honduras be in a financial position to carry out a liquidation of all such German property. Please cable Department approximate value of all German holdings Fonseca Bay. Is there in your opinion any American concern in Honduras which would be capable of furnishing necessary funds for liquidation and purchase German holdings?

POLK

763.72113/1066 : Telegram

The Secretary of State to the Minister in Honduras (Jones)

WASHINGTON, *July 29, 1919, 5 p.m.*

Your July 13, 8 p.m.[31]

Exceptional war measures concerning German property in territory of allied or associated governments, must, under Treaty of Peace, continue in effect until after the Treaty becomes effective. By Article 297 of German Treaty, allied and associated Governments reserve the right to retain and liquidate all property belonging, at date of coming into force of Treaty of Peace, to German nationals, or companies controlled by them within their territories, subject to Treaty provisions. In case of states not entitled to share in reparations to be made by Germany, proceeds of liquidation, subject to rights of Reparation Commission, are to be paid direct to the owner. It appears probable that Honduras will come within this class.

The Department is of the opinion that Honduran Government should proceed with enforcement of war measures concerning German property and the liquidation in accordance with Treaty provisions.

LANSING

763.72113/1102 : Telegram

The Minister in Honduras (Jones) to the Secretary of State

TEGUCIGALPA, *August 23, 1919, noon.*
[*Received August 26, 6.14 a.m.*]

Department's telegram July 17, 7 p.m. and July 29, 5 p.m. President Bertrand informed me last night that the Supreme Court ren-

[31] Not printed.

dered decision denying the right of *amparo* to the Germans and that he instructed Alien Property Custodian to proceed with all vigor, disregarding German claims and protests.

He asks that you send him copies of treaty of peace with Germany.

JONES

763.72113/1156

The Consul in Charge of the Legation in Honduras (Lawton) to the Secretary of State

No. 516 TEGUCIGALPA, *November 7, 1919.*

[*Received November 26.*]

SIR: I have the honor and the pleasure of informing the Department that after a very strenuous fight I have secured an Executive Order in favor of the application of the Alien Property Law. Since the moment of my arrival and after having read over the correspondence between the Department and this Legation for some months past, I endeavored to secure definite action in support of the Alien Property Custodian and the Honduranean Law on the subject of German property. I found the President entirely ignorant of what the Law contained, and he claimed that while he was in sympathy with the Law, he had had no opportunity to inform himself about it. He finally agreed to present my recommendation to his Ministers, and the following day I learned that the Minister of Hacienda had been instructed to prepare a Decree, which was shown to me and of which I enclose a translation. (See enclosure # 1.)[82]

Several days passed and I very soon found that the German representatives of the firms involved were marshalling their forces and bringing every possible influence to bear, including the expenditure of large sums of money, to prevent any definite action, because they were quite sure that the Lopez Gutierrez party would see that the Alien Property Law was annulled. They very openly boasted of this and presented written demands to Custodian Weddle to turn over the moneys he has deposited as profits of the property sequestered. The attorney of the Custodian with Mr. Weddle and the Minister of Hacienda had frequent conferences with me in this Legation. I also spoke several times to President Bográn about the matter and reminded him of his promise to Minister Jones to favor the Alien Property Law and its application for the liquidation of German properties.

On November 3rd. the Minister of Hacienda finally presented to me, in company with the Custodian and Lawyer Zelaya, a proposed Executive Decree which was manifestly an attempt to discredit the

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[82] Not printed.

Custodian and the Alien Property Law, to reduce the salaries of the Custodian and the Attorney and reorganize the Intervention in various ways and which it is not improbable would have vitiated the original Law.

I frankly told the Minister that I considered the document very inappropriate in consideration of the fact that the Alien Property Law in Honduras was suggested by our Government and that I could only see in it an attempt to ridicule the efforts of our representative, Mr. Ames. I subsequently called upon the Minister of Foreign Relations and presented the matter to him as forcibly as I could without offense. A translation of that document is enclosed herewith marked enclosure No. 2.[32]

The Attorney of the Custodian of the Intervention suggested drafting the simplest form of a decree as it was evident that the Government was anxious to put the matter up to the coming Congress, with as little activity in the meanwhile as possible. The result was a decree to be signed by the President and Council of Ministers, of which a translation is enclosed herewith and marked enclosure No. 3.[32] I felt very well satisfied with this disposition and the President personally assured me that he would have no trouble in getting the cooperation of his Ministers. In this he evidently was over sanguine because the Cabinet refused to concur and argued particularly that Article second was usurping of the powers of the Courts and that the Executive had no power to order the cancellation of real estate transfers. The net result was that Article second was eliminated and the document became a Presidential Order instead of a decree. I enclose herewith a copy and a translation of the signed order marked enclosures four and five respectively.[32]

I am very dubious about the future of the Alien Property Law in Honduras. The German firms will naturally go to any extreme or spend any amount of money to have Congress annul the Law. I recommend that representations be made to Doctor Bonilla [33] or any other Honduranean representative in Washington and have them send to the Foreign Office here a plain statement of Honduras' duty in the matter. I also think that this Legation should be definitely instructed to the same end, and among other things, that our Government's objection to the return of German control in Amapala be strongly stated.

In this connection, it is appropriate for me to explain that General Rafael Lopez Gutierrez called upon me some days before the Presidential elections. He was accompanied by Doctor Philip Davis, an

[32] Not printed.

[33] Señor Don Policarpo Bonilla, in Washington on special mission in connection with boundary dispute; see vol. I, pp. 85 ff.

American of this city, and, in his presence, General Lopez G. told the story of his military campaign and that at that time he had made no political promises of any character. I told him that it was currently reported that his campaign had been financed by German money. This he strongly denied and explained that while Guillermo Debbe was in his house frequently, he is a nephew by marriage and he (Lopez) had had no money relations with him. I then asked General Lopez G. what his attitude would be towards the Alien Property Law, and he stated that he would be in favor of it. I told him that I was very glad to learn this, and in the event that he was the successful candidate at the elections, I would communicate his reply to my Government as an expression of his attitude towards the German interests in Honduras. . . .

I have [etc.] E. M. Lawton

BOUNDARY DISPUTE WITH GUATEMALA

(See volume I, pages 85 ff.)

BOUNDARY DISPUTE WITH NICARAGUA

(See volume I, pages 114 ff.)

HUNGARY

REOPENING OF TRADE, SEPTEMBER 2, 1919

War Trade Board Files

Notice Issued by the War Trade Board Section of the Department of State

W.T.B.R. 829 WASHINGTON, *September 2, 1919.*

RESUMPTION OF TRADE WITH HUNGARY

The War Trade Board Section of the Department of State announces that, effective September 2, 1919, the resumption of trade and communication between the United States and Hungary has been authorized, and that, to effect such authorization, the General Enemy Trade License referred to in W.T.B.R. 802, July 14, 1919,[1] has been amended by deleting the words "Hungary or" from paragraph 2 of the limitations upon said General Enemy Trade License.

Exports.—Exports from the United States to Hungary will be controlled by individual export licenses, but such licenses will be issued freely upon application, except with respect to the following commodities whose exportation to Hungary will be restricted for military reasons:

[Here follows list identical with that printed in volume I, page 185.]

Imports.—Imports into the United States from Hungary may take place under General Import License PBF No. 37 (W.T.B.R. 825 issued August 15, 1919),[2] which has been revised and extended, effective September 2, 1919, so as to permit the importation from Hungary, without individual import licenses, of all commodities except those specifically enumerated in paragraphs 1, 2 and 4 of said W.T.B.R. 825, paragraph 3 of said Ruling being hereby cancelled and withdrawn.

APPOINTMENT OF AN AMERICAN COMMISSIONER, DECEMBER 4, 1919

123Sm61/163a

The Secretary of State to the Commissioner at Vienna (Grant-Smith)

WASHINGTON, *December 10, 1919.*

SIR: The Department begs to inform you that you have been appointed Commissioner of the United States to Hungary.[3] Your

[1] *Antè*, p. 239. [2] Not printed. [3] Appointment dated Dec. 4.

salary will be your regular salary as first secretary, $3,000 per annum, and you will be given a post allowance of $3,500. In addition you will be allowed such expenses as may prove necessary in the performance of your duties, the amount of these expenses to be settled with the Department after you reach Budapest and are able to make a detailed estimate. In payment of your salary and expenses you will draw in two separate accounts on the Secretary of State.

You are to proceed at once to Hungary, establishing your headquarters at Budapest, but you may break your journey for consultation in London, Paris and Berne. Your duties will undoubtedly include dealing with matters of much delicacy and demanding immediate action. Since communication is slow and difficult, the Department must in these cases rely on your tact, discretion and good judgment. You must at the same time realize that although the present government of Hungary has been provisionally recognized by Sir George Clerk[4] in the name of the Supreme Council, no formal recognition has yet been given by the government of the United States and that you are not accredited as a diplomatic representative to the Hungarian Government. While exercising the utmost caution not to commit yourself and this government to preference for one or the other of the many political groups which seek to control the government of Hungary, you will be expected tactfully to encourage such constructive movements among the Hungarians as would appear to lead toward the firmer establishment of representative government. The coming elections for a constituent assembly in Hungary will be a very critical period and the Department is anxious that you should keep closely in touch with the situation in order to report fully on the apparent strength of the various currents of influence, the source from which they spring, and the probable result on the national life. Your sympathy with constructive measures should be evidence to the Hungarian people of the interest of this government in the orderly development and growth of the Hungarian nation.

The Department depends upon you to furnish full reports on the developments in the internal political situation in Hungary and on the trend of Hungarian opinion with regard to the surrounding states and other nations. It will expect you to assist in any proper manner the interests of American commerce and to keep the Department informed as to opportunities for the development of such commerce. The American Ministers at Prague, Warsaw and Belgrade and the American Commissioner at Vienna have from time to time furnished the Department with valuable information

[4] British Minister to Czechoslovakia, Sept. 15, 1919; special delegate of the Supreme Council of the Peace Conference to Hungary, Oct. 15–Dec. 2.

about Hungary. They have been instructed to continue these reports and to send copies to you.

So far as financial matters are concerned, it is essential to be noted that in the absence of legislation by Congress and before the ratification of a peace treaty with Hungary, there is no authority in law permitting this government to extend loans to the Hungarian government, nor are there funds or supplies under the control of this government available for distribution in Hungary. You may state, however, that since trade and communication between the two nations have been resumed, this government opposes no objection to the collection of funds and supplies in the United States for distribution as relief within the borders of Hungary or among such Hungarian prisoners of war as have not yet been repatriated.

Until other arrangements may prove advisable, subsequent to your arrival in Hungary, the Department will communicate through the American Embassy in Paris and requests that if you find other means of communication either by telegraph or by mail more direct and reliable, you will so advise the Department immediately. At reasonable intervals the Department is willing that you should employ couriers between your headquarters and the American Minister at Prague or the American Commissioner at Vienna, in order to make such communication certain and under such understandings as you may reach with these two gentlemen.

I am [etc.] ROBERT LANSING

ITALY

AGREEMENT BETWEEN THE UNITED STATES AND ITALY EXTENDING THE DURATION OF THE ARBITRATION CONVENTION OF MARCH 28, 1908 [1]

711.6512/27

The Italian Embassy to the Department of State

The Arbitration Convention of March 28, 1908 between Italy and the United States was renewed, by an Agreement between the two countries signed on May 28, 1913,[2] for a period of five years.

The Royal Italian Government, in view of the fact that the said period will expire on January 22nd, 1919, would be pleased to renew the Convention again for the duration of five years.

WASHINGTON, *December 18, 1918.*

711.6512/27

The Department of State to the Italian Embassy

The Department of State acknowledges the receipt of the Royal Italian Embassy's communication of December 18, in which it informs the Department that the Italian Government would be pleased to renew for another period of five years the arbitration convention concluded between them on March 28, 1908. The Department of State encloses herewith the English text of an agreement [3] renewing said convention for a further period of five years, from January 22, 1919, and would be pleased to receive from the Royal Italian Embassy the Italian text equivalent thereto.

WASHINGTON, *January 15, 1919.*

Treaty Series No. 645

Agreement between the United States of America and Italy, Signed at Washington, March 20, 1919 [4]

The Government of the United States of America and the Government of His Majesty the King of Italy, being desirous of extending

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[1] For text of convention, see *Foreign Relations*, 1909, p. 385.
[2] *Ibid.*, 1914, p. 388.
[3] See *infra*.
[4] In English and Italian; Italian text not printed. Ratification advised by the Senate, July 17, 1919; ratified by the President, July 29; ratified by Italy, Aug. 18; ratifications exchanged at Washington, Oct. 13; proclaimed Oct. 15.

for another five years the period during which the Arbitration Convention concluded between them on March 28, 1908, extended by the Agreement concluded between the two Governments on May 28, 1913 shall remain in force, have authorized the undersigned, to wit: the Honorable Frank L. Polk, Acting Secretary of State of the United States, and Baron Pietro Arone di Valentino, His Majesty's Chargé d'Affaires at Washington, to conclude the following agreement:

ARTICLE I

The Convention of Arbitration of March 28, 1908, between the Government of the United States of America and the Government of His Majesty the King of Italy, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications of the said Convention on January 22, 1909 which period, by the agreement of May 28, 1913, between the two Governments was extended for five years from January 22, 1914, is hereby renewed and declared in force for a further period of five years from January 22, 1919.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the Government of His Majesty, the King of Italy, in accordance with its Constitution and laws, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate, in the English and Italian languages, at Washington this 20th day of March nineteen hundred and nineteen.

[SEAL] FRANK L. POLK
[SEAL] PIETRO ARONE DI VALENTINO

JAPAN [1]

DECISION OF THE JAPANESE GOVERNMENT TO DISCONTINUE ISSUING PASSPORTS FOR "PICTURE BRIDES" TO PROCEED TO THE UNITED STATES [2]

711.94/310

Memorandum of the Chief of the Division of Far Eastern Affairs of the Department of State (MacMurray)

[WASHINGTON,] *November 19, 1919.*

The so-called "picture brides" are women who come to the United States as the wives of Japanese immigrants resident in this country but who were married to such immigrants under the exceedingly simple requirements of Japanese law without having seen their husbands and without the husbands having been present at the "marriage ceremony." Under the provisions of the Japanese law it is sufficient for the validation of a marriage that a written notification thereof be filed with and accepted by the Registrar, such notification to be signed and sealed by the parties and the witnesses. It is not necessary that the parties personally appear before the Registrar. Under the provisions of the "Gentlemen's Agreement" such of these women as are of the laboring class could not be admitted except as the wives of Japanese already resident here.

The administrative rule under which the Bureau of Immigration now admits these women is as follows:—

"That the validity of these marriages be recognized, unless or until it is definitely shown that they are not legal marriages under the laws of Japan, or until it satisfactorily appears that the residence in the United States of one of the parties brings the consummation of the marriage ceremony within the jurisdiction of our laws; that proof of such marriages be required, not only by a certified record of the registrar but also by a certified copy of the notification of marriage made out by the party to the same living in the United States; and that marriages at our ports be prohibited." [3]

The question of whether "it satisfactorily appears that the residence in the United States of one of the parties brings the consum-

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[1] See also subjects under China, vol. I.

[2] For correspondence relating to the admission of Japanese "picture brides" into the United States, see *Foreign Relations*, 1917, pp. 848–876. The instructions referred to in the fifth paragraph of the letter of Aug. 20, 1917, from the Secretary of Labor (*ibid.*, pp. 870–872) were apparently never issued.

[3] Letter of Aug. 25, 1919, from the Secretary of Labor (File No. 150.946/85).

mation of the marriage ceremony within the jurisdiction of our laws" is now under investigation by the Solicitors. In the meantime Senator Phelan[4] has introduced in the Senate an amendment to the present Immigration Law[5] to exclude absolutely Japanese of the laboring class, thus substituting an Act of Congress in place of the arrangement with the Japanese Government.

The main objection to the present arrangement, according to letters from Senator Phelan, lies in the admission of the "picture brides". The very large increase in the number of these women now coming to the United States, as shown by statistics, leads to the conclusion, which however cannot yet be proved, that some at least are coming as the wives of the children of Japanese laborers who were here prior to the going into effect of the "Gentlemen's Agreement" in 1908. If the continued immigration of these women is permitted, the number of Japanese of the laboring class resident in the United States might easily increase very nearly in geometrical ratio.

It would seem probable, therefore, that, if this objection were removed voluntarily by the Japanese Government, the matter might not be pursued further in Congress.

MacM[URRAY]

711.94/306 : Telegram

The Ambassador in Japan (Morris) to the Secretary of State

TOKYO, *November 19, 1919, 7 p.m.*
[*Received November 20, 10.50 a.m.*]

The report received yesterday that the Senate voted in favor of reservation in regard to Shantung, while not unexpected, has added to the irritation and resentment here.[6] The newspaper comments which have appeared thus far are reserved but there is a notable growth of a spirit of answers [*antagonism?*] to America and Americans. The newspaper campaign which has continued with slight interruptions for almost a year is beginning to tell and I am receiving reports from various parts of Japan of actions toward Americans which indicate that popular feeling is running strongly against the United States. It appears to me quite clear that the military party is using the United States as the future menace, not sincerely but as a justification for increased army and navy appropriations. For the moment I do not consider the situation serious but if Governor Stephens should be forced by public opinion to convene the California Legislature in special session, it would at once assume a very serious aspect.

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[4] James D. Phelan, United States Senator from California.
[5] Act of Feb. 5, 1917 (39 Stat. 874).
[6] See the section, under China, dealing with the Shantung question, vol. I, pp. 686 ff.

I have deemed it my duty to point out that the question of discrimination against the Japanese people in California is one which profoundly affects Japanese pride and sentiment and any action by California at this time when public feeling in Japan is generally antagonistic would lead to an extremely serious crisis.

In a recent conversation Mr. Hanihara [7] expressed to me the concern he personally felt about the California situation and his fear that Governor Stephens might not be able to withstand the popular agitation now going on. He further stated that Viscount Uchida [8] was also greatly disturbed and worried. He explained that in his judgement it would be possible for Japan to remove some of irritating factors in the present situation if Governor Stephens would persist in his refusal to call an extra session of the legislature and thus allow a year for discussion and voluntary action. He spoke in particular of the question of picture brides and said that only recently at a special meeting of the Japan[ese] Association of California a resolution was passed by which, while recognizing the legality of the socalled photograph marriage, nevertheless in view of the feeling and customs of the American people, the Association practically stopped of its own accord the further immigration of picture brides. This resolution, Mr. Hanihara said, would receive without formal action the tacit and effective support of the Japanese Government. He pointed out that the resolution gave the Japanese Government an excellent opportunity to support a movement of its own people in a case where it could not act under pressure from outside.

MORRIS

711.94/306 : Telegram

The Secretary of State to the Ambassador in Japan (Morris)

WASHINGTON, *November 21, 1919, 3 p.m.*

Your telegram November 19, 7 p.m.

The question of the immigration into the United States of the so-called Japanese picture brides has come into considerable prominence owing to the recent large increase in the number of such women coming to this country. The legality under our law of the marriages of these women is now under investigation. In the meantime Senator Phelan has introduced a bill to amend the immigration act so as to exclude all Japanese laborers, thus substituting an act of Congress for the Gentlemen's Agreement. In order to avoid the adverse effects on the relations between Japan and America which would result either from a holding that such marriages are illegal or from the

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[7] Masanao Hanihara, Japanese Vice Minister of Foreign Affairs, September, 1919.

[8] Viscount Yasuya Uchida, Japanese Minister of Foreign Affairs.

enactment of legislation such as has been proposed, I informally advised the Japanese Ambassador on November 20 that as a matter of policy it would be wise for Japan to prevent abuses of this system and I answered affirmatively his informal inquiry whether it would have a good effect if the Japanese Government were to prohibit the entrance of the picture brides into the United States.

I have been gratified to note the statement of the Vice Minister that the recommendation in regard to the discontinuance of the immigration of picture brides would "receive without formal action the tacit and effective support of the Japanese Government." In order, however, to meet the necessities of a difficult situation this Government should be enabled to give in behalf of the Japanese Government some assurance or authoritative indication which would satisfy the feeling that has been aroused by this question. This Government does not presume to dictate the manner of such an assurance but desires you in your further discussions with the Foreign Office to suggest that it might be most advisable if the Japanese Ambassador here were authorized to communicate to me formally such decision or ruling as the Japanese Government may find it feasible to adopt in order that I may be in a position to announce that that Government has itself taken such steps as will adjust the one phase of the Gentlemen's Agreement which has not in practice proved satisfactory to our Government.

For your information only. Since Congress reconvenes on December 1 and it is probable that the bill now pending will be pushed rapidly, haste is necessary if legislation on this point is to be averted.

LANSING

711.94/315

Memorandum of the Chief of the Division of Far Eastern Affairs of the Department of State (MacMurray)

[WASHINGTON,] *December 4, 1919.*

Mr. Debuchi[9] called on me yesterday to speak on the "Picture Bride" question and the Tientsin incident.[10]

In relation to the first of these questions, he stated simply that he wished informally to advise me that Ambassador Shidehara had telegraphed to the Japanese Government the suggestion that that Government should take some overt step in the matter which would enable us to counteract any anti-Japanese agitation by an assurance that the Japanese had themselves taken action to terminate any abuse

[9] Katsuji Debuchi, Counselor of the Japanese Embassy.
[10] For correspondence relating to the Tientsin incident, see pp. 420 ff.

of the so-called "Gentlemen's Agreement" on this score. He also stated that the Ambassador had simultaneously telegraphed the substance of a personal letter in which I had outlined to Mr. Debuchi the viewpoint of those who are agitating against the immigration of "Picture Brides".

Referring to this same personal letter, Mr. Debuchi told me that in a spirit of reciprocity, and with the same purpose of making unofficially available the other side of the argument, he would leave with me the attached memorandum [11] in the form of statistical tables prepared by the Japanese Association of California. He said that the Embassy had been assured by the Japanese Association that these tables were based upon official data supplied by the American Immigration authorities in California, but that the Embassy did not vouch for their accuracy.

MacM[URRAY]

711.94/312

The Japanese Appointed Ambassador (Shidehara) to the Secretary of State [12]

MEMORANDUM

The Japanese Ambassador, under instructions from his Government, has the honor to make the following communication to the Government of the United States:

The Japanese Government, placing supreme importance upon the promotion of friendly relations between Japan and the United States, and having carefully examined in that spirit the situation created by the question of the so-called "picture brides", have decided to adopt measures for the prohibition of such brides from proceeding to the Continental United States.

WASHINGTON, *December 13, 1919.*

711.94/316

Memorandum of the Third Assistant Secretary of State (Long)

[WASHINGTON,] *December 23, 1919.*

Mr. Debuchi called today and alluded to the conversation between the Japanese Ambassador and the Secretary of State on yesterday. He said that it was their understanding that the settlement of the "Picture Bride" question had no relation whatever to the stopping of Anti-Japanese activity. I told him that that was our understand-

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[11] Not printed.

[12] Covering memorandum of same date not printed.

ing, and that we had not in any way connected the two. He said that he hoped no further announcement would be made by the Department of State,[15] and that certainly none would be made which would connect the two. I told him that we had no intention of making any further announcement.

He said that the Ambassador had cabled my suggestion that they should stop issuing "picture brides" passports earlier than February 29th, but that his Government had replied to the effect that it was impracticable to stop the practice sooner but that they would take every reasonable step to prevent "picture brides" coming to the United States in any quantity after the first of July, and that they expected there would be very few because of the custom amongst the brides to leave within one or two months after they received their passports.

BRECKINRIDGE LONG

711.94/312

The Secretary of State to the Japanese Appointed Ambassador (Shidehara)

The Secretary of State presents his compliments to His Excellency the Japanese Ambassador and has the honor to acknowledge the receipt of his memorandum of December 13, 1919, with enclosure, regarding the question of the so-called "picture brides."

The Secretary of State avails himself of this opportunity to express the appreciation with which the Government of the United States has noted the action thus taken by the Imperial Japanese Government. It is confidently hoped that this action will remove a source of misunderstanding between the two peoples and serve to maintain their relations upon a basis of good understanding.

WASHINGTON, *December 27, 1919.*

DISORDERS AT TIENTSIN RESULTING IN INJURIES TO AMERICAN SOLDIERS INFLICTED BY JAPANESE—EFFORTS TO OBTAIN AMENDS

893.00/2981 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *March 13, 1919, 8 p.m.*
[*Received March 13, 4.35 p.m.*]

Serious fracas occurred between American soldiers, Japanese policemen, and civilians Tientsin yesterday, to-day. Full report not yet

[15] The Ambassador's memorandum of Dec. 13, *supra*, was given to the press on Dec. 20.

received. Have sent First Secretary of Legation, Japanese Minister has [sent] his [secretary], to confer with the consuls Tientsin.

REINSCH

893.00/2983 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *March 15, 1919, midnight.*
[*Received March 15, 1 p.m.*]

My telegram March 13th, 8 p.m. Heintzleman [16] reports situation well in hand. No further developments expected. Full report by mail.

REINSCH

893.00/2983 : Telegram

The Acting Secretary of State to the Minister in China (Reinsch)

WASHINGTON, *March 15, 1919, 4 p.m.*

Your March 15, midnight.
Report essential facts by cable.

POLK

893.00/2990 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *March 23, 1919, 11 a.m.*
[*Received March 23, 10.41 a.m.*]

At my suggestion, a committee of representative Americans has been formed [at] Tientsin to examine evidence of recent [disturbance] and make a report. Consul General reports a great deal of evidence has already been taken, including that of Japanese. Presence of American soldiers in the Japanese concession on March 11 [*12*] has not been proved. He also reports that suggestion has been made to have Japanese committee added to American to conduct inquiry jointly. Japanese seem in favor of this. As this indicates spirit of moderation, I have authorized Consul General to proceed with a view to reducing points of difference.[17]

REINSCH

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[16] P. Stewart Heintzleman, Consul General at Tientsin.
[17] The American and Japanese committees conducted separate investigations.

893.00/2991 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *March 23, 1919, 11 p.m.*
[*Received March 24, 4.25 a.m.*]

Following is a summary of a lengthy report on the Tientsin affair made public yesterday by the Japanese War Office:

We greatly regret that reports in the foreign press in China concerning the Tientsin affair are distortions. Some of the American soldiers have recently been behaving arrogantly in the Korean licensed brothels of the Japanese settlement in Tientsin and showing contempt towards the Chinese guards hired by the Japanese. The Japanese commandant therefore brought the matter to the attention of the American commandant on March 4 with a view to averting any possible incident, who gratefully acknowledged the necessity for guarding against such a possibility. On March 11, however, numerous American soldiers again visited the brothels and "committed arrogant excesses with the result that they came into a clash with Japanese passersby," several persons being injured. The next night 40 or 50 American soldiers invaded the Japanese settlement and "committed outrages on Japanese passersby in various places, striking them with clubs, stoning them and firing revolvers. Thus Japanese were exposed to danger and the excesses of the Americans were beyond words." Some of the Americans also waylaid Japanese returning from a cinema hall in the French concession. Japanese concession police therefore requested Japanese troops to assist in protecting their nationals and about 100 of them were detailed to guard the border of the French concessions and the neighborhood of the cinema. Numbers of Japanese residents also collected near the border of the French settlement to rescue their compatriots. Being frightened by these precautions the Americans withdrew and order was restored.

"Since taking the above measures for the protection of Japanese life and property Commander Kanaya despatched an officer to the French concession to explain the reason for bringing Japanese troops into the French settlement and the understanding of the French authorities was secured. At the same time another officer was sent to the American commander to inform the latter of the perpetration of excesses by the American soldiers."

Eleven Japanese were injured, two of them seriously. Two injured Americans were taken charge of by the Japanese police and after medical treatment handed over to their authorities. On the morning of the 13th the Japanese commander despatched an officer and a surgeon to express regret at the incident and steps were taken on both sides to prevent further collisions. "Since then the incident has been peacefully settled. In this connection we greatly regret to note that reports in the foreign press in China regarding the incident are distortions. . . .[17] Whereas the Japanese brought injured American

[17] Omission indicated in telegram.

soldiers to police station to give them first medical aid, Japan is charged with detaining them in the police station and with maltreating them. . . .[18] Untrue reports were thus printed in some newspapers and they assumed an attitude of protest against Japan. Are they not ashamed of acting in this manner while raising an outcry in the world in the cause of justice and humanity?"

The Foreign Office at the same time issued the following somewhat conflicting statement:

"The altercation between the American soldiers and Japanese residents in Tientsin was indeed an unfortunate incident but it was after all nothing but an incidental affair without any foundation. The incident, briefly told, is as follows:

1. About 8 afternoon March 11, several drunken Japanese who were taking a walk in the neighborhood of [omission] conducted by Koreans in the Japanese concession in Tientsin came into friction with three American soldiers. Two Chinese policemen employed by Japan and a Japanese resident, as well as another American soldier, joined in a quarrel. As the result five Japanese and three Americans were wounded. The four American soldiers were first taken to the Japanese Consulate, the same night turned over to the American military authorities.

2. The foregoing was the circumstances of the rise [?] of the incident. Such an incident is not an unusual thing. The Japanese [and] the American authorities have done their best to maintain order, to prevent more friction. Unfortunately on the next day at 8 afternoon American soldiers, organized in a body, entered the Japanese concession and beat and wounded three Japanese. Another party also attacked and wounded seven Japanese.

3. Whereupon the Japanese, enraged, pursued the American soldiers who retreated into the French concession, and capturing one of the Americans, took him to the Consulate. Again, a crowd of Japanese attempt[ed] to lead the American soldiers out of the gate of brothels in the same concession but the doors were tightly bolted from inside so that the Japanese could not enter. Some one fired a pistol from within so one Japanese requested the Chinese policemen in the French concession to open the gate. The crowd entered and took the Americans out and beat them. The Japanese soldiers sent out for precaution to the neighborhood protected the Americans and turned them over to the Japanese Consulate, from where they were immediately sent to a hospital for treatment.

4. The friction in the Japanese and French concessions appeared practically to be put to an end by the strict control of the Japanese, American and French authorities but in the afternoon of March 13 when a Japanese named Kawamura, a resident of the British concession, went on a visit to a residence in the Japanese Consulate, he was attacked and beaten by four American soldiers who invaded the Consulate premises. These American soldiers fled. This is the last incident to date.

5. The foregoing is a general account of the incident. The incident is not a serious one in itself but as it was deemed necessary to settle the matter peacefully as soon as possible the Japanese Consul in

[18] Omission indicated in telegram.

Tientsin opened negotiations with the American Consul and the American Army authorities. At the same time the Japanese Minister in China consulted with the American Minister and ordered secretaries from both the Legations to go to Tientsin and investigate the truth of the matter. These envoys are now investigating the question.["]

MORRIS

893.00/3028a : Telegram

*The Acting Secretary of State to the Ambassador in Japan (**Morris**)*

WASHINGTON, *April 4, 1919, 11 a.m.*

Your March 23, 11 p.m.

The following is a statement of the facts in relation to the recent unfortunate incidents at Tientsin based upon the careful investigations of our Legation at Peking and of our military and consular officers at Tientsin:

An unprovoked attack on members of the American military police was made by some Japanese in civilian clothes while the latter were under the influence of liquor in the licensed district in the Japanese concession on the evening of March 11. The assault was followed by a fight in which four American soldiers were badly injured. As a precaution against further trouble the American commanding officer on the morning of March 12 issued orders forbidding American soldiers to go into the Japanese concession. As a further precaution he later placed a military police patrol on the boundary line between the Japanese and French concessions for the purpose of enforcing the order.

About midnight of March 12 a large group of excited Japanese civilians carrying clubs and pistols invaded the French concession, forcing back the American military police above mentioned. The Acting Japanese Consul General, mounted on a horse, led a body of more than 100 Japanese troops and officers, armed with rifles with fixed bayonets, into the French concession immediately following the Japanese civilians. A search for American soldiers by these Japanese citizens and soldiers led to a fracas between them and the Americans, several on both sides being hurt, none seriously except one American soldier who was taken by the Japanese soldiers and civilians from a house in the licensed district of the French concession, assaulted, stabbed and carried to the Japanese police station almost nude and in a serious condition. The surgeon in attendance states that this soldier will have his left leg permanently paralyzed. Another American soldier while on military police duty was also assaulted without provocation by Japanese civilians and soldiers in the French concession and was arrested and taken by Japanese soldiers to the Japanese police station. While being taken to the police station, these two soldiers were maltreated by Japanese, apparently with the acquiescence of those who had the prisoners in charge.

When the American Consul General, after the fracas on the night of March 12, approached the Japanese officials with a view to ascertaining the whereabouts of these two wounded soldiers the Japanese officials denied that the American soldiers were confined in the Japanese police station. One of them, however, was found locked in a cell in the Japanese police station and the other lying injured in the courtyard of the station. The American Consul General, having secured the release of the two Americans, was stoned by Japanese in the Japanese concession while returning to the American Consulate at 2 a.m., on March 13 in his automobile.

On March 13, an American soldier, apparently without cause, struck a Japanese in the grounds surrounding the residence of the Japanese Acting Consul in the British concession. The American Commanding officer made apologies to the Japanese authorities for this improper conduct on the part of the soldier, who was promptly punished.

About 9 p.m., on March 13, a body of about 50 Japanese carrying clubs and followed by an excited mob pursued three American military police into the Empire theatre in the French concession. Entrance to the theatre was denied the Japanese, however, and they were dispersed an hour later by the Japanese police. French Annamite soldiers then policed the French concession to prevent further trespassing.

While it has been asserted that the trouble arose from the presence of a body of American soldiers in the Japanese concession on the night of March 12, careful investigation discloses that there were no groups of American soldiers in the Japanese concession on that night.

It appears that the American military commander made every effort to stop each fracas as soon as it occurred and to prevent others from occurring but that the Japanese authorities were remiss in this respect.

You will bring the above statement informally to the attention of the Japanese Foreign Office, leaving a copy thereof if it is desired, and say orally that, after making all due allowance for the origin and nature of the disturbances and the inevitable confusion of testimony, a comparison of the above statement with the statements issued by the Japanese War Department and Foreign Office [28] appears to leave still unexplained the illegal arrest of Americans by Japanese officers, the deliberate misleading by Japanese officials of the American Consul General as to the fact of the detention of the Americans in the Japanese jail, and the serious injury to the American soldier who is partially paralyzed. You may say that the Department, equally with the Japanese Foreign Office sincerely deplores this unfortunate affair; that our Commanding officer has voluntarily apologized to the Japanese authorities for the action of the American

[28] See telegram of Mar. 23, 11 p.m., from the Ambassador in Japan, p. 422.

soldier in invading the Japanese consular premises on March 13; that the soldier himself has been punished and that these steps have the thorough approval of the United States Government. On the other hand the corresponding action on the part of the Japanese officials concerned appears not to have gone beyond expressions of individual and personal regret. You may assure the Foreign Office that the Department has entire confidence in the readiness of the Japanese Government to take such further action as the consideration of the facts in the case seem to warrant.

I propose to have a conversation with Viscount Ishii [29] along the same lines today and will give him also a copy of the above statement. Repeat by mail to Peking.

PHILLIPS

893.00/3051 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *April 10, 1919, 4 p.m.*
[*Received 6.19 p.m.*]

I had the Counsellor of the Embassy yesterday present the Tientsin incident to the Vice-Minister for Foreign Affairs as contemplated by your telegram of April 4, 11 a.m. While stating that action must await the receipt of the report of the investigation made by the Japanese Legation at Peking, the Vice-Minister concurred in the suggestion that as we have now made such amends as possible for what was wrong on our part it remains for the Japanese to take the necessary steps to counteract the animosities aroused and enable the unfortunate affair to be forgotten.

. . . . . .

MORRIS

893.00/3051 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Morris)

WASHINGTON, *April 11, 1919, 7 p.m.*

Your April 10, 4 p.m.

Please discreetly inquire of the Foreign Office when this Government may expect a reply to its memorandum regarding the Tientsin affair. If occasion offers you may express the hope that, in view of the publicity given the affair and adverse comments here in press, the Japanese Government will expedite its reply.

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POLK

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[29] Kikujiro Ishii, Japanese Ambassador at Washington to June 12, 1919.

893.00/3052 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *April 14, 1919, noon.*
[*Received April 15, 9.22 a.m.*]

I had an informal conversation with the Minister for Foreign Affairs this afternoon. I took occasion to refer to the Tientsin agitations [*affair*] in the tenor of your April 11th, 7 p.m. He advised me that he has telegraphed to Obata [30] summary of facts, left with Vice-Minister for Foreign Affairs last week and has instructed Obata to make the necessary amends if it appeared from his investigation that any of the Japanese involved were at fault.

. . . . . .

MORRIS

893.00/3080a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Morris)

WASHINGTON, *April 25, 1919, 3 p.m.*

The Department is with difficulty restraining responsible press comment here on the Tientsin affair and is doubtful how long it may be able to do so owing to the numerous circumstantial reports arriving in the United States through papers published in China and Japan. An early settlement of the question is highly desirable. I have spoken to Ishii in the same sense.

PHILLIPS

893.00/3080 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *April 26, 1919, 10 p.m.*
[*Received April 26, 5.35 p.m.*]

Your telegram April 25, 3 p.m. In an interview this afternoon the Minister for Foreign Affairs advised me that Japan is postponing action in the Tientsin affair pending the determination of the sole point now at issue between the American and Japanese authorities in Tientsin which is one fact as to what occurred on the night of March 12th. He states that there is a radical divergence in the testimony on either side as to the presence of American soldiers in the Japanese concession at that time.

MORRIS

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[30] Torikichi Obata, Japanese Minister to China.

861.00/4422 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *May 3, 1919, 6 p.m.*
[*Received May 3, 1 p.m.*]

The Minister for Foreign Affairs requested me to confer with him yesterday and our talk covered a wide range of subjects. . . .

I called his attention to their [*the*] continued delay in the settlement of the Tientsin incident and pressed vigorously for some immediate action. He informed me that his latest advices indicated that our consuls at Tientsin had almost reached an agreement on the facts. He was extremely friendly and talked on all subjects with unusual frankness. As I was leaving he expressed his pleasure that our relations of confidence permitted us to discuss and settle perplexing questions in such a satisfactory manner. All this is in singular contrast to the prevailing public impression. Newspaper comment continues to be bitterly anti-American, but the criticism has become less specific and rather more vituperative. Several resident Americans have called on me during the past week to inform me of the growth of anti-American sentiment among the Japanese people, which is no doubt wholly the result of the newspaper campaign.

MORRIS

893.00/3101 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *May 13, 1919, 4 p.m.*
[*Received May 15, 10.04 a.m.*]

The following telegram was sent Tokyo, is repeated for your information.

"May 13, 4 p.m. Your May 8, noon.[34] The statement that our consuls at Tientsin have almost reached an agreement on the facts is incorrect. The present situation is as follows: Japanese Consul has intimated that apologies would be made if the Americans admitted that American soldiers had probably been in the Japanese concession on the night of March 12. . . .["]

REINSCH

893.00/3111 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *May 23, 1919, 4 p.m.*
[*Received 5.03 p.m.*]

Your May 20, 7 p.m.[34] I saw the Vice Minister for Foreign Affairs yesterday and left with him the following memorandum which I hope will be approved by the Department.

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[34] Not printed.

"The American Government would again call to the attention of the Imperial Japanese Government the facts in regard to the unfortunate incident at Tientsin as fully set forth in the memorandum of the American Embassy submitted on April 9.[35] It would appear that more than sufficient time has now elapsed to permit of the fullest investigation of the occurrence by the Imperial Japanese Government and the American Government would therefore again request the Imperial Japanese Government to take such official action as the essential and undisputed facts of the case would urgently call for."

He emphasized the importance of the presence of American soldiers in the Japanese concession on the 12th which I fully explained had no connection with the essential facts and was not involved in the disavowals [asked of] the Japanese Government.

MORRIS

893.00/3111 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Morris)

WASHINGTON, *May 26, 1919, 6 p.m.*

Your May 23, 4 p.m., Tientsin affair.

Department approves and trusts you will be able to obtain a definite reply before leaving for Siberia.

POLK

893.00/3113 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *undated.*

[*Received June 2, 1919, 1.45 a.m.*]

My telegram May 13, 4 p.m. Japanese Acting Consul General called formally on the American Consul General Tientsin and made statement of regret for the fact that his compatriots in the French concession used violence upon the American soldiers and behaved rudely against the American Consul General. Japanese Consul General also called upon the American commandant and expressed regret for the "possible lack of friendliness and caution on the part of the Japanese even though in the midst of confusion in treating the wounded American soldier." Japanese Consul General also said that he had proposed to the Foreign Office the payment of solatium to Rohner,[36] but he adhered to the position that the police inspector had not intentionally made false statements and therefore could not be censured. He stated that three subordinate police officers had been dismissed for misconduct in connection with the incident.

Heintzleman does not consider the apologies as final settlement and made the Japanese Consul General understand that there are several outstanding points to be settled.

REINSCH

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[35] See telegram of Apr. 4, 11 a.m., to the Ambassador in Japan, p. 424.

[36] Partially paralyzed as result of injuries; see telegram of Apr. 4 to the Ambassador in Japan, p. 424.

893.00/3127a : Telegram

The Acting Secretary of State to the Minister in China (Reinsch)

WASHINGTON, *June 3, 1919, 3 p.m.*

Department informed by Japanese Embassy [37] that the Japanese Minister at Peking has been instructed to discuss frankly and freely the Tientsin matter with you and to offer apology, if there was any reason for which an apology would be due, and if the Japanese had committed any wrongful act during the trouble at Tientsin. Department also informed that Japanese Consul at Tientsin has been similarly instructed. There seems still to be in the minds of the Japanese some belief in the presence of American troops in the Japanese concession on the night of March 12th. Please keep Department advised.

Repeat to Tokio for information.

PHILLIPS

893.00/3128 : Telegram

The Minister in China (Reinsch) to the Acting Secretary of State

PEKING, *June 6, 1919, noon.*
[Received June 7, 7.38 a.m.]

Your June 3, 3 p.m. Situation unchanged since last telegram May 31, 1 p.m.[38] Japanese Minister has never proposed any action to me although when I asked him whether anything was being done he also laid great emphasis on the irrelevant contention that American soldiers had been in the Japanese concession. See my telegram of May 3 [*13*], 4 p.m.

REINSCH

893.00/3152a : Telegram

The Acting Secretary of State to the Minister in China (Reinsch)

WASHINGTON, *July 2, 1919, 6 p.m.*

Following concerns Tientsin affair.

Washington Post July 1st contained long article on Tientsin matter saying Japanese had made full apologies and quoting texts of statements made to American Consul by Japanese Acting Consul General and by Japanese General to Colonel Wilder. The Department has been very much embarrassed to receive through the Press information of these important statements. The Acting Secretary

[37] Memorandum of the Third Assistant Secretary of State of a conversation with the Japanese Chargé, June 2 (File No. 893.00/3097) ; not printed.

[38] Probably refers to his undated telegram, p. 429.

was questioned by the press men at a conference following publication and was forced to announce that satisfaction was not complete. In an endeavor to save further complications and misunderstanding Japanese Chargé d'Affaires was called to the Department yesterday afternoon, and referring to publication that morning, was told that the Department had not been sufficiently advised and that the statements as reported in the press did not accord complete satisfaction in following particulars: (1) the false arrest and detention of Americans in the French concession by Japanese military police; (2) Misstatement by Japanese police inspector at Japanese jail to the effect that there were no Americans in the jail at that time. Presuming that the police inspector unintentionally misstated the fact, the Department feels that the responsibility is his, and that he should have been presumed to know the facts, and should assume responsibility for misstatement, particularly on occasion of a call in person by the American Consul General. It is felt that the Police inspector should make some statement or that some Japanese authority acting for him should do so, to the effect that his statement was unintentionally made, and not intended to be misleading. (3) Question of compensation to unarmed American soldier so treated by Japanese Military police that he suffered from bayonet wounds a serious injury causing paralysis from the waist down, which compensation had been mentioned, according to press reports, by the Japanese Consul at Tientsin. The Department has said in response to inquiry that it did not insist upon such compensation but that the United States Government felt that it would be a very courteous and appropriate thing for the Japanese to do, to evidence their intention of following the statement of the Japanese Consul as reported.

You will please instruct the American Consul in Tientsin to the above effect.

Department cabled you June 2 [*3*] that Japanese Government had instructed its Minister at Peking to call on you and discuss with you frankly the Tientsin matter with a view to making apologies to you for any acts wrongfully committed by Japanese in that affair. The Department now qualifies above statement which was due to misconstruction by the Third Assistant Secretary, to following extent that "in the interests of amicable settlement of the Tientsin affair, the Japanese Government have decided to express through the Acting Consul General at Tientsin their regret on the points wherein they feel the Japanese are responsible and to insist further on the points wherein they believe the Japanese have reason. The Japanese Minister at Peking has been telegraphically instructed to

take immediately the necessary steps along the lines decided by the Government." [38] It will be seen that it was intended that the Japanese Minister discuss fully and frankly with you this matter. Department has advised Japanese Chargé that Japanese Minister appears not to have carried out the instructions in so far as a frank exchange of views and full cooperation with you are concerned. On the other hand the Department feels that you may have hesitated to cooperate with the Japanese Minister. The Department desires you to hold yourself in readiness frankly and amicably to go into the matter with him, being guided by the first part of this telegram. Japanese Chargé is cabling his Government today asking that it send additional instructions to their Minister to approach you. This is felt to be necessary to a proper adjustment. A speedy and satisfactory disposition is most desirable.

The Japanese have repeatedly referred to the presence of United States soldiers in the Japanese concession on the night of March 12. The Department understands now that there were no American soldiers there at that time. However, in the interests of conciliation the Department desires to be immediately advised by cable whether there is any evidence to support the allegation that there were American soldiers in the Japanese concession on that night, and has stated to the Japanese Chargé that if there were any such evidence, we would take appropriate steps.

The Department desires to impress upon you the necessity for according careful, quick and diplomatic attention to this affair, and cooperating with your Japanese colleague to the fullest extent consistent with dignity and propriety.

PHILLIPS

893.00/3169a : Telegram

The Acting Secretary of State to the Minister in China (Reinsch)

WASHINGTON, *July 14, 1919, 7 p.m.*

Department informed July 11 [39] by Japanese Embassy that careful instructions had been cabled to Japanese Minister to consult you frankly and fully and to co-operate with you in an effort to straighten out the difficulty at Tientsin.

You will please be guided by Department's recent cable in the same matter.

POLK

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[38] Quotation from *aide-mémoire* left at the Department by the Japanese Chargé, July 2 (File No. 893.00/3149) ; not printed.

[39] Memorandum of the Third Assistant Secretary of State of a conversation with the Japanese Chargé (File No. 893.00/3165½) ; not printed.

893.00/3206

The Minister in China (Reinsch) to the Acting Secretary of State

No. 2898 PEKING, *July 16, 1919.*
[*Received August 21.*]

SIR: In connection with your telegram stating that the Japanese Minister had been instructed to talk over with me fully and frankly the Tientsin incident with a view to settlement, I have the honor to state that thus far I have not heard from my Japanese Colleague.

I have the honor to enclose correspondence with the Consul-General in Tientsin (letter to the Minister, July 14th, letter from the Minister, July 16th). The great desire of the Japanese to commit us to a statement of the possibility of American soldiers being in the Japanese Concession on the night of March 12th leaves no doubt in my mind of the use they intend to make of such an admission. I have the honor to refer you to the previous correspondence in this matter to show how impossible it is from the point of evidence and sincere belief to admit that American soldiers were in the Japanese Concession on that night—as is claimed by the Japanese—in large numbers, armed with police clubs, making assaults on Japanese in the principal thoroughfare without a Japanese policeman seeing or apprehending any one of them. It would seem to me exceedingly stultifying to make any such admission in order to settle what remains of this case after the Japanese have already made an apology for the main incidents.

I have [etc.] PAUL S. REINSCH

[Enclosure 1]

The Consul General at Tientsin (Heintzleman) to the Minister in China (Reinsch)

TIENTSIN, *July 14, 1919.*

DEAR MR. REINSCH: My Japanese colleague called on me by appointment on July 5, 1919. He expressed a desire to effect a settlement of the Japanese–American incident at Tientsin and stated that in seeking a solution he wished to offer two alternative proposals, which, if I thought the Legation and the Department might be willing to consider and agree to, he would submit to his Government: (1) that a statement by me admitting the possibility of American soldiers having entered the Japanese concession on the night of March 12, 1919, be accepted by the Japanese side, after which the Japanese would agree to pay Corporal Rohner a solatium to the amount of several hundred yen, and to censure their Police Inspector for making false statements to me on the same night; or, (2) in the event that it is deemed impossible for me to make such a statement

or the Japanese Government find themselves unable to accept the statement, then Major Nathan, Tientsin, of the Royal Engineers British Army, should be invited by the American and Japanese Consuls General to go over the evidence on both sides and give an opinion as to whether American soldiers entered the Japanese concession on the night in question, it being understood that while great weight would be given his opinion our government would not be bound thereby.

I promised to write requesting your views on the feasibility of these proposals.

As to the statement I am asked to make, Mr. Kamei, Vice Consul formerly in charge of the Japanese Consulate General here, in conversations with me previous to the arrival of Mr. Funatsu,[40] kept urging that the American local authorities should admit that American soldiers had entered the Japanese concession on March 12, 1919. I told him such an admission in the face of the evidence submitted could not be made; during a call on May 28, 1919, when he again emphasized the necessity of such an admission on our part, I said that I might be willing to make some such statement as the following:

"In view of the contention of several Japanese gentlemen of standing who claim to have been injured by American soldiers in the Japanese concession on the night of March 12, 1919, the American authorities are willing to acknowledge the possibility of American soldiers being in the Japanese concession on that night, although every effort has been made to investigate this matter and no evidence of their being there can be found."

Mr. Kamei requested permission to make a copy of the draft to which I assented. I took pains to explain to Mr. Kamei at the time that this was merely a proposed draft of what might perhaps be admitted by the Commanding Officer of the 15th Infantry and myself, if approved by our superiors who were in possession of the record in the case. I further explained that the informal discussion resulting in this draft could not be interpreted as an admission by Colonel Wilder and myself of the Japanese contention. Mr. Kamei replied that he fully understood.

Mr. Kamei during a call here on June 12, 1919, told me that his Minister had hoped I would be willing to omit from the draft statement the last two clauses, "although every effort has been made to investigate this matter and no evidence of their being there can be found." He explaining [*sic*] that he and Mr. Obata thought the last clause was a reflection on the evidence presented by the Japanese. I replied that I saw no objection to these deletions and took the

[40] Tatsuichiro Funatsu, Japanese Consul General at Tientsin, May, 1919.

occasion to repeat that this was merely a draft drawn up by me informally and unofficially and that nothing was to be implied as binding me or any of my superiors. He stated that this was his understanding. During Mr. Funatsu's call on the 5th instant, when reference was made to the draft statement, I went over the whole subject with him reading to him the above which I had written out as minutes of my conversations with Mr. Kamei.

I would thank you to give me an expression of your views on the suggested plan of settlement as proposed by Mr. Funatsu.

Yours sincerely,

P. S. HEINTZLEMAN

[Enclosure 2]

The Minister in China (Reinsch) to the Consul General at Tientsin (Heintzleman)

PEKING, *July 16, 1919.*

DEAR MR. HEINTZLEMAN: In reply to your note of July 14th, I have to state that I see nothing in the proposal made by your Japanese Colleague which can, in any way, advance a settlement.

That the payment of several hundred yen, indemnity or solatium—in itself, entirely inadequate,—should be made dependent on our admitting the possibility of American soldiers having entered the Japanese Concession on the night of March 12th, is joining two things which have nothing to do with each other. Whether there were or were not American soldiers in the Japanese Concession on the night, Corporal Rohner was arrested in the French Concession and [wounded?] while being dragged through the Japanese Concession to the police station. The previous presence of American soldiers in the Japanese Concession is a collateral matter.

As was clearly understood in our last conversation, it is to be feared that if any admission of this kind is made, which is contrary to the evidence in our possession and to the unanimous belief of all Americans concerned, it would undoubtedly be used in an attempt to shift the entire responsibility for all incidents to the American side. As it was understood that no such admissions were desirable, I am greatly surprised that without further consultation, you declared yourself willing (1) to make a statement containing such an admission and (2) specifically to engage yourself to omit a sentence which states that we have no evidence of American soldiers being there. After this action on your part, taken on your own responsibility, it may be difficult to avoid the bad consequences which we had all feared. We had a perfectly clear case on which we could rest and it would, in my opinion, have been far better so to rest than to accept

a settlement admitting the one point which to every American seemed both impossible and unreasonable but which for a purpose of their own the Japanese desire to have admitted.

As to the second suggestion of making Major Nathan an arbiter in the matter, I cannot see in that a satisfactory solution. . . .

From the above you will see that I consider the position formerly taken by us in this matter as still to be maintained; namely, that the unsettled points in the controversy are the payment of solatium to Corporal Rohner and some action of censure for the falsehoods told you by the Japanese Inspector on the night of March 12th.

Faithfully yours,

PAUL S. REINSCH

893.00/3231

The Consul General at Tientsin (Heintzleman) to the Minister in China (Reinsch)[41]

[TIENTSIN,] *August 19, 1919.*

SIR: As previously reported, the Japanese Consul General and I have had frequent conferences in an effort to reach a settlement in the matter of the trouble at Tientsin between Japanese civilians and soldiers and American soldiers in March last. In these conversations Mr. Funatsu has urged that the American authorities admit the presence of American soldiers in the Japanese Concession on the night of March 12, 1919.

I now have the honor to report that my Japanese colleague recently sent me a despatch, dated August 4, 1919, on this particular phase of the subject. In support of the contention that American soldiers entered the Japanese concession on the night in question, Mr. Funatsu forwards a compilation of statements by some seven Japanese who were wounded in the disorders of that night, a Japanese official report on the occurrences, and the sworn statements of four Japanese including Captain Uyeno, a General Staff Officer in the Japanese military contingent stationed here. A report of the French Chief of Police, quoting the statement of a Chinese police in that force, is also enclosed; this particular information had already been handed me by Mr. Funatsu and was transmitted to the Legation with my No. 110 of July 31, 1919. Mr. Funatsu also encloses six certificates by surgeons giving the names of various Japanese admitted into their hospitals and a description of the wounds. This is followed by a summary of Japanese alleged to have been injured, while a map of those sections of the French and Japanese concessions where the

[41] Copy forwarded to the Department by the Minister in despatch No. 2963, Aug. 21; received Sept. 26.

trouble occurred is also attached. I beg to transmit, for the information of the Legation and the Department, a copy, in triplicate, of the latest communication, with enclosures, received from the Japanese Consul General.[42]

The evidence submitted by the Japanese contains nothing new. The investigation was admittedly *ex parte* and a decision as to whether American soldiers were present in the Japanese Concession on March 12, 1919, turns upon the point as to what weight can be attached to the statements. The evidence in the possession of the American authorities is contrary to that presented by the Japanese. The former, in an effort to find out the actual facts and fix the responsibility for the trouble, formed a Committee of Investigation which took all the testimony obtainable, both American and Japanese, and Japanese witnesses were examined in the presence of the Japanese Consul General. On the basis of this testimony the report of the findings was made. The report gives the firm opinion of the Committee that no American soldiers were in the Japanese concession on the night of March 12, 1919, and completely exonerates them of all responsibility in connection with the incidents of that night. A copy of the report was transmitted to the Legation with my No. 87 of March 28, 1919, and to the Department with my No. 94 of the same date.[43] It is the unanimous belief of all Americans who have studied the record in the case that the admission desired by the Japanese cannot be made.

Moreover, there can be no connection between the question of our soldiers having entered the Japanese concession and that of Japanese responsibility for numerous wrongful acts against American soldiers, civilians and officials. A careful study of the enclosures strengthens my opinion that we should continue to maintain the position taken from the first and urge the payment of a solatium to Corporal Rohner and the censure of the Japanese Police Inspector for making false statements on the night of the trouble.

I have [etc.] P. S. Heintzleman

893.00/3207

Memorandum of the Third Assistant Secretary of State (Long)

[Washington,] *August 22, 1919.*

Mr. Debuchi told me today that a report was coming to him by mail in the Tientsin matter, and that his Consul General could not agree with the American Consul General, and that there appeared

[42] Documents referred to in this paragraph not printed.
[43] Covering letters and report not printed.

to be a deadlock. He said that his Government wanted to make some disposition of it.

BRECKINRIDGE LONG

893.00/3272

The Consul General at Tientsin (Heintzleman) to the Secretary of State

No. 185 TIENTSIN, *November 6, 1919.*
[*Received December 17.*]

SIR: With reference to previous reports of this Consulate General regarding the efforts being made to reach a settlement in the matter of the trouble at Tientsin in March last between Japanese civilians and soldiers and American soldiers, I have the honor to transmit for the information of the Department copy of a memorandum of today's date reporting recent conversations held with the Japanese Consul General on the subject. In this connection there is also furnished the Department copy of the letter of October 13, 1919, addressed to me by Colonel Charles T. Smart,[45] 15th United States Infantry, as referred to in the enclosed memorandum.

I have [etc.] P. S. HEINTZLEMAN

[Enclosure]

Memorandum of the Consul General at Tientsin (Heintzleman)

TIENTSIN, *November 6, 1919.*

The Japanese Consul General called November 6, 1919. He stated he had a telegram from the Foreign Office regarding the terms of settlement of the incident between Japanese and American soldiers at Tientsin in March last.

(Note. On October 14, 1919, at the conclusion of a conversation during a call by Mr. Funatsu on the subject of the alleged activities of the American Methodist Mission and the "I Shih Pao" in the anti-Japanese movement, I handed him copy of a letter of October 13, 1919, by Colonel Smart containing a report by the surgeon of the United States China Expedition on the physical condition of Corporal Rohner at the time of the latter's departure for Manila in June last. Mr. Funatsu was interested in Dr. Guthrie's statement that Rohner was gradually improving and that complete recovery from his wounds was not impossible. Mr. Funatsu said he would send the report to Tokyo; he thought that if Corporal Rohner should recover it would affect the American claim for solatium, a difficult point of controversy in connection with the adjustment of the incident.

Mr. Funatsu stated that another unsettled point was the American request that Mr. C. Kaneko, the Japanese Police Inspector, who made

[45] Not printed.

false statements to me on the night of the trouble, should receive some form of censure, and that in this connection he could inform me that Mr. Kaneko had recently been transferred from Tientsin to the Chientao region on the Korea–Manchuria frontier. Mr. Funatsu added that he was willing to telegraph his Government recommending that he be authorized to state that the transfer was "not unrelated" to the incident of March last. Mr. Funatsu hoped that these developments might open a way for a full settlement of the case. Besides telegraphing to the Foreign Office in the sense above indicated relative to Kaneko's transfer, Mr. Funatsu would request his Government not to press for an admission on our part that American soldiers had entered the Japanese Concession on the night of March 12th; on the other hand, if the Japanese side would first yield these two points I would be willing to recommend to the Department: (1) that, on the basis of Dr. Guthrie's statement, the question of a money payment to Corporal Rohner be waived; and (2) that, on the Japanese assertion that Kaneko's transfer grew out of the trouble, no further mention of his censure be made. I assured Mr. Funatsu of my willingness to do everything possible to assist in reaching a mutually satisfactory settlement, and added that if, after conferring with the Foreign Office, he proposed terms looking toward adjustment that were such as to lead me to believe that there was a likelihood of their being acceptable, I would transmit them to the Department.)

Mr. Funatsu read to me "a free translation" of the telegram received from the Foreign Office in reply to a message he had sent in line with his statement to me of October 14th; the telegram as read to me was in the following sense:

(1) The transfer of Mr. Kaneko, the Police Inspector, to the Chientao region was merely an act of administrative routine and has no connection with the incident. However, the Japanese Government is willing to admit that, though Mr. Kaneko's motives were good, he spoke "carelessly" to the American Consul General and that his transfer was, therefore, made in a desire to "facilitate a settlement".

(2) The Japanese Government would not regard as adequate a statement by the American authorities "admitting the *possibility* of American soldiers having entered the Japanese Concession on the night of March 12th". The Japanese Government would expect the American authorities to acknowledge that American soldiers entered the Japanese Concession on the night in question, and publicly express regret at the wrongful acts they had committed there. The entire Japanese case turns on this point which can not be waived.

(3) If the American authorities waive solatium for Corporal Rohner, the Japanese authorities will refrain from asking that their nationals be reimbursed for expenses incurred as the result of injuries sustained at the hands of American soldiers in the Japanese Concession.

I said I was sure the Department would not consent to consider these terms; that they did not offer a solution or in any way advance

a settlement; moreover, it would be futile for me to write or telegraph to Washington concerning these terms.

Mr. Funatsu then mentioned that the Embassy at Washington had telegraphed recently that the Department was firm in its position in this case and had again informed the Japanese Chargé d'Affaires that the American authorities would not admit that American soldiers had entered the Japanese Concession on the night of March 12th; also, that the Japanese would be expected to make amends for the arrest and detention of Corporal de Cordova on the last night of the trouble.

Mr. Funatsu stated that he had called and explained his Government's position in the matter merely for my information; and that he shared my view that it would probably serve no useful purpose to telegraph. He added that he intended to let his case rest with his letter to me of August 4, 1919,[46] wherein he submitted evidence to prove conclusively that American soldiers had entered the Japanese Concession on the night of March 12th and committed the assaults complained of by his nationals.

893.00/3300

Memorandum of the Chief of the Division of Far Eastern Affairs of the Department of State (MacMurray)

[WASHINGTON,] *December 4, 1919.*

When calling on the afternoon of December 3rd, Mr. Debuchi, after speaking on the "Picture Bride" question,[47] went on to say that his Embassy had received from the Japanese Government an instruction to the effect that while the Japanese were most desirous of reaching a satisfactory settlement of the Tientsin incident, they felt that the question of the presence of American soldiers in the Japanese Concession on the evening of March 12th was of such importance that a satisfactory understanding on the subject must precede any further action on their part. Mr. Debuchi intimated that he was himself greatly disappointed at this frustration of his personal efforts to reach a satisfactory settlement of the question, and professed to understand fully how difficult it would be for our Government to admit the presence of American soldiers in the Japanese Concession on the night of March 12th, in view of the denial made at the time by the Commandant of the American Expeditionary Forces at Tientsin.

I told Mr. Debuchi that it was not a question of difficulty or embarrassment for our Government in admitting any proved facts;

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[46] Not printed.

[47] For correspondence relating to this question, see pp. 415 ff.

that this particular case was one of those in which there was an irreconcilable conflict of evidence; that the Japanese had their witnesses in favor of their version, and we our witnesses in favor of our own version; that the Japanese had conducted a secret investigation of whose methods and results we were not informed, whereas we had conducted an open and public investigation at which Japanese witnesses were entirely at liberty to testify, but that no evidence in favor of the Japanese contention had been adduced at the time; that there was no outside evidence except that of a Chinese employee of the French Municipal Police—which Mr. Debuchi was quite ready to admit would carry very little weight in the mind of any one familiar with China; we were entirely open-minded towards any evidence that could be produced but we simply and absolutely did not believe that our soldiers had been in the Japanese Concession on the night in question.

I then said that this was not, after all, the real question at issue; and that if I might speak with entire frankness I would tell him that we were heartily disappointed with the failure of the Japanese authorities to meet us halfway in endeavoring to adjust the controversy by making frank and formal acknowledgment of their having been wrong in the incidents which occurred on the night of March 11th (which the Japanese had at no time denied), in the same spirit in which our Commandant had made apology for the subsequent conduct of certain of our soldiers in the grounds of the Japanese Consulate-General; and that in view of what is admitted to have happened on March 11th, we could only consider that the Japanese insistence upon a collateral question as to the events of March 12th was an attempt to draw "a red herring across the trail"; that we had taken the initiative in trying to settle the matter by frank acknowledgment and apology for such wrongs as were considered to have been committed by either side, and that we now found such a settlement blocked by the Japanese insisting that as a condition precedent we should admit something which we honestly did not believe had taken place.

Mr. Debuchi then said that as for acknowledgments and apologies, the Japanese Vice-Consul in charge had—although two months after the incident, he regretted to state—called formally upon our Consul-General and expressed in the name of the Japanese Government his regret for the Tientsin incident as a whole. I reminded him that in previous conversations I had pointed out and he had admitted that this expression of regret was in such general terms as to be utterly meaningless, as it did not acknowledge or disavow the acts complained of. Mr. Debuchi admitted that the expression of regret conveyed by this inexperienced young official was by no means

satisfactory, but asked me to consider that it was sufficient evidence of the friendly disposition of the Japanese Government: and he urged that, having gone thus far, the Japanese were entitled to insist upon their view as to what happened on March 12th as a condition precedent to making any such formal and explicit exchange of apologies (between the Department and the Japanese Embassy) as had previously been suggested by us.

He then ventured the information that our Consul-General (Mr. Heintzleman) himself was not so sure of the fact that American soldiers had not entered the Japanese Concession. I answered that if he referred to Mr. Heintzleman's conversation with Vice-Consul Kamei,[48] I felt that he misinterpreted what Mr. Heintzleman had stated: that there had been no admission of anything more than an abstract possibility of American soldiers in the Japanese Concession, coupled with Mr. Heintzleman's statement that his investigation had revealed no evidence to support the Japanese statement.

Mr. Debuchi then said that he was extremely sorry that the question could not be brought to a satisfactory settlement, and that he supposed the only thing left to do was for both of us to drop the question entirely and let it be forgotten. I answered that I did not like to feel, even yet, that the case would prove to be beyond the possibility of settlement on a more satisfactory basis.

MacM[urray]

893.00/3302

Memorandum of the Third Assistant Secretary of State (Long)

[Washington,] *December 12, 1919.*

At my request Mr. Debuchi called today and we discussed the Tientsin matter. He reflected the same attitude as indicated in the memorandum of Mr. MacMurray, under date of December 4th. He said that his Government's position was such that it practically amounted to a refusal to proceed without an admission by this Government of the presence of American troops on the night of March 12th. We discussed the matter from all of its angles. I finally told him that we considered it unfortunate indeed if he refused to admit that a matter between the two governments could not be settled, particularly one of such local significance. I asked him whether his Government would not, without reference to the incident of the night of the 12th and without further consideration, be inclined to make some suggestion, even if it was only to mutual settlement of claims for reparation for injuries to persons, and a mutual apology to be

[48] See Mr. Heintzleman's letter of July 14 to the Minister in China, p. 433.

properly expressed by each government again through their respective representatives at Tientsin. He said that the Ambassador had come to the conclusion that it was impossible to do anything with it, and that the case should be filed. I expressed considerable regret and asked him to continue his consideration of the possibility, with the hope of adjustment in the comparatively near future.

BRECKINRIDGE LONG

893.00/3303

Memorandum of the Third Assistant Secretary of State (Long)

[WASHINGTON,] *December 13, 1919.*

The Japanese Ambassador spoke this morning of the Tientsin affair and suggested that a settlement might be made upon the basis suggested in a memorandum of my conversation with Mr. Debuchi on yesterday, with the added proviso that the Government of the United States would be very glad to continue its investigation of the Tientsin incident to determine whether or not there had been American soldiers present in the Japanese Concession on the night of March 12th, and to make proper apology and explanation, if it were finally determined in the course of such inquiry that American soldiers had been there, and had been guilty of misconduct. I told him that this would only continue the matter and would not be a complete settlement, and that I hoped that we could adjust it finally, and that I thought Mr. Lansing wanted to talk to him in the near future on the subject.

He said that he was very anxious to come to a speedy solution.

BRECKINRIDGE LONG

893.00/3298

Memorandum of the Chief of the Division of Far Eastern Affairs of the Department of State (MacMurray)

[WASHINGTON,] *December 23, 1919.*

In conversation with me today Mr. Debuchi referred to a talk with Mr. Long in which he had "made a personal suggestion" as to the settlement of the Tientsin incident which he said his Ambassador was willing to take the responsibility of recommending to the Japanese Government.

Mr. Debuchi emphasized that, as regards the question of the presence of American soldiers in the Japanese concession on the night of March 12th his proposal contemplated only that our Government should undertake to make a further investigation and to take ap-

propriate steps in the event that such investigation should demonstrate that American soldiers had actually entered the Japanese concession and done injury to Japanese subjects on the night in question: and he several times reiterated this point and made the further statement that if only we would give this undertaking the Japanese Government would be content and that it would not press us for a statement as to the result of such investigation. I avoided committing myself on the question whether this suggestion would be satisfactory to us.

MacM[URRAY]

893.00/3274

Memorandum of the Third Assistant Secretary of State (Long)

[WASHINGTON,] *December 23, 1919.*

Mr. Debuchi volunteered to take up the Tientsin matter again and stated that the Ambassador had approved of the suggestion he himself had made to the Japanese Government as a basis of settlement, but when I told him that Mr. Lansing wanted to speak to the Ambassador personally on the subject he said that he would withhold conversation until later.

BRECKINRIDGE LONG

TAXATION BY JAPANESE AUTHORITIES OF AMERICANS IN THE SOUTH MANCHURIAN RAILWAY ZONE—ATTITUDE OF THE UNITED STATES

894.0144/10

The Minister in China (Reinsch) to the Acting Secretary of State

No. 2615 PEKING, *March 31, 1919.*

[*Received May 5.*]

SIR: I have the honor to enclose Despatch No. 120, from the Consul-General at Moukden, which deals with two matters:

A. The attempt of the Japanese authorities to levy an Income Tax on Americans living in the Japanese Concession; and
B. The question as to whether within the Japanese Concession and Railway Zone, Americans may be arrested by an American Marshal without previous consent on the part of the Japanese authorities; and are Japanese police to be allowed the right to arrest Americans within these areas.

Both of these matters are very important and full of difficulty. The instructions sent the Consul are herewith enclosed: Nos. 4296 and 4300, of March 31st. Your early instructions on these questions are respectfully requested.

I have [etc.] PAUL S. REINSCH

[Enclosure 1]

The Consul General at Mukden (Baker) to the Minister in China (Reinsch)

No. 120 MUKDEN, *February 6, 1919.*

Subject: Japanese Attempt to Levy Tax on Americans in Mukden.

SIR: I have the honor to transmit herewith a copy of a personal letter from Mr. M. J. Grey, Assistant Manager of the Standard Oil Company here, with regard to the subject above mentioned and to state that similar information has been given verbally by other Americans living in the Japanese settlement.

There are now six American families living in the Japanese railway concession and it is desirable that not only a general policy be adopted as regards the extent of Japanese jurisdiction but that a definite expression of opinion be given to Americans as to just what steps they should take in a given set of circumstances, like those described by Mr. Grey, for instance. The Americans realize that it is not desirable to admit in any way the right of the Japanese to exercise political jurisdiction over them, but they point out that the Japanese hold their settlement by lease and are in a position, more or less, to dictate the terms on which buildings there are to be occupied, by Japanese or by foreigners, and that some means must be employed by them to obtain money for municipal expenses by collecting from those who enjoy the benefit of good roads, light, police and fire protection. It is, of course, a practical as well as a theoretical question—more practical, in fact, than theoretical—but it is believed that some solution can be found by which the Japanese may obtain money from all who enjoy municipal privileges but without bringing them all under Japanese political jurisdiction. However, if the Japanese are making a deliberate attempt to establish a precedent by exercising sovereign rights over Americans and other foreigners who happen to reside in their concession the solution may not be so readily found.

I told the Americans to tell the Japanese that they would act upon the advice of their American consular authorities and would wait until it could be obtained, but if the Japanese forced the issue they might agree to make some voluntary contribution toward the municipal maintenance fund on the understanding that it is a sort of free will offering and not a tax, and is merely paid to equalize the burden of keeping up the settlement, they being exempt from the regular levy.

Some question may arise as to how far the Japanese police might go if an American is found disturbing the peace or driving at a furious speed down the Japanese streets, or committing some other mis-

demeanor. Does the American government admit the right of the Japanese police to arrest such Americans provided they are turned over at once to their American consular authorities, and is it held that Japanese railway police or gendarmes along the railway have a similar right? Does the American government consider that an American marshal should obtain the consent of the Japanese authorities before making an arrest in the Japanese settlement, on a Japanese railway platform or in a Japanese train in such a place as Mukden? If a deserter, for instance, comes through on a Japanese train what would be the proper procedure in this regard if his commanding officer asked us to arrest him here and if he could only be found on the Japanese train and had no intention of alighting? These are very delicate and important questions and are not simply academic in character. Such cases may arise at any moment, and this office should know just how far the American government would support us in disregarding Japanese jurisdiction over foreigners in their railway area. We do not wish to do any more or any less than the American government would approve of, but knowledge of the government's policy in advance of any such contingency might prevent a very serious complication, and it is for this reason that I desire specific instructions.

The most sensible thing might be for the American and Japanese governments to recognize frankly the difficulties which might arise from Americans living under what the Japanese think is their jurisdiction and to agree on some joint policy which could be communicated to American and Japanese officials. These officials would then know just what to do and just how far government support would be forthcoming. If we wait until an American marshal and a Japanese policeman get into a death grapple over some prisoner in some public place we will have a problem on our hands which cannot be settled in a calm, judicial way on its own merits, but the question of "losing face" will come in, and the dispute might become very heated and bitter and might bring about very unpleasant international relations, with newspapers on both sides trying to egg the officials on and adding fuel to the flames.

To show that the Japanese police are disposed to exercise authority over Americans I will mention an instance which recently occurred. An American buyer of furs living and having offices in the Japanese settlement was unable to get his remittance from the Japanese bank (the Japanese afterward said that it went to Kobe instead of Mukden), and could not pay certain Chinese for their furs which he was shipping by Japanese post (to escape the export duty—as the Japanese do). The Chinese were afraid that they might not be paid and took the matter up with the Japanese police asking them to

prevent the American from shipping. A Japanese policeman promptly went to the American's house and was carrying a rope, but when the American saw the rope and saw the terrified look on his house-boy's face he forced the Japanese policeman to leave. If the Japanese police could receive instructions, as above suggested, such incidents would be far less frequent and much trouble might be avoided.

Awaiting the Legation's instructions, I have [etc.]

E. CARLETON BAKER

[Subenclosure]

Mr. M. J. Grey to the Consul General at Mukden (Baker)

MUKDEN, *January 27, 1919.*

DEAR MR. BAKER:

. . . . . .

This morning a representative of the Tax Office of the S.M.Ry came to our office to inquire into the incomes of the various members of the Staff who are living in the S.M.Ry leased land in Moukden.

This information in regard to incomes was necessary so that an assessment *pro rata* on individual incomes could be made to cover a so-called Municipal Tax.

This Municipal tax cover[s] road up-keep, fire and police protection etc.

While I am willing to contribute to this fund, for benefits received yet I am not prepared to meet their wishes by stating my income and being levied accordingly.

However, I am of the impression that a nominal income statement is all that is required and that they will be satisfied so long as they receive something toward this Municipal tax.

I am therefore declaring an income of G.Y. 100 per month which according to their tariff sheet will require a quarterly payment of G.Y. 5.00, which I am willing to pay.

I give you the above for your information and your views on the question.

Yours sincerely,

[No signature indicated]

[Enclosure 2]

The Minister in China (Reinsch) to the Consul General at Mukden (Baker)

No. 4296 PEKING, *March 31, 1919.*

SIR: I have to acknowledge your Despatch No. 120, dated February 6th, which deals with an attempt on the part of the Japanese

to levy an Income Tax on American residents in the Japanese Concession at Moukden.

While it seems proper that American citizens living within the Japanese Concession should contribute their reasonable share to the cost of Municipal services, the levying of an Income Tax does not seem to be a suitable manner of accomplishing this. There is an underlying difference in principle between the taxation of real property and personal taxation. In giving a "concession" to a foreign power, the land itself is made the subject of an agreement between China and the grantee Government; it would therefore seem logical to conclude that, together with the land the Chinese Government might delegate to the grantee Government the right to levy thereon charges necessary for maintaining the local Municipal service. This is done, for instance, in the British Concession where, however, the principle of representative Government is applied and a vote is given to every rate-payer in controlling the Municipal services and finances.

As, however, the Chinese Government has no right itself to levy personal taxes on foreign residents, such a right cannot be given by it to any other Government or organization within China.

This matter has been referred to the Department of State for its instructions. Pending its reception, no admission is to be made of the right of the Japanese authorities to levy an Income Tax, or any other Tax, upon American citizens.

I am [etc.] PAUL S. REINSCH

[Enclosure 3]

The Minister in China (Reinsch) to the Consul General at Mukden (Baker)

No. 4300 PEKING, *March 31, 1919.*

SIR: With respect to the second point raised in your Despatch No. 120 of February 26th [*6th*]; namely, the question of the arrest of Americans made within the Japanese Concession, or Railway Zone, I have to state that this matter has been referred to the Department with a request for their early instructions.

For your guidance meanwhile, I would make the following observations: No right to arrest Americans could have been conferred by the Chinese to [*on*] the Japanese Government as the Chinese Government itself does not possess the right. Japanese authorities could therefore obtain this right only through direct concession through the American Government.

Should an American be found in the commission of a crime of violence it is, under common law, proper for anyone, either private,

individual, or official, to restrain him and to deliver him to the American authorities to be dealt with. Japanese policemen acting in such a case would be exercising no unusual powers.

Whether an American Marshall shall effect the arrest of Americans without the previous consent of the Japanese authorities is questionable. On the one hand the substantive right undoubtedly exists in behalf of American public authorities of seizing Americans wherever they may be found in China, yet international comity requires, for instance, that the premises of the subject of some other nation should not be invaded for this purpose without obtaining the previous consent of the authorities of the representative nation. In the case of the Japanese concession, it would seem proper, without raising the question of the rights involved, as a matter of courtesy to give notice to the authorities and possibly to request their co-operation in making such arrests. With respect to the Railway Zone, the right of the Japanese authorities to exercise police powers over other foreigners has not been admitted.

I am [etc.] PAUL S. REINSCH

894.0144/10

The Acting Secretary of State to the Minister in China (Reinsch)

No. 992 WASHINGTON, *June 3, 1919.*

SIR: The Department is in receipt of your despatch No. 2615, of March 31, 1919, with which was inclosed copies of a despatch of February 6, 1919, from the Consul General at Moukden, and your two instructions to him of March 31, regarding (1) the attempt of the South Manchurian Railway Company to levy an income tax, for municipal purposes, on Americans residing within the railway zone at Moukden, and (2) the respective rights of American and Japanese officers in connection with the arrest of American citizens in the Japanese settlements and railway zone.

In reply the Department may observe that the South Manchurian Railway was formerly a part of the Chinese Eastern Railway which was constructed, pursuant to an agreement entered into on September 8, 1896, between the Chinese Government and the Russo-Chinese Bank.[49] That agreement reserves to the Government of China political jurisdiction over the railway zone, Article V providing that "the Chinese Government will take measures for the protection of the line and of the men employed thereon" and that "all crimes

[49] J. V. A. MacMurray, *Treaties and Agreements with and concerning China, 1894–1919*, issued by the Carnegie Endowment for International Peace (2 vols., New York, Oxford University Press, 1921), vol. I, pp. 74 ff.

and law suits arising on the land of the Company will be dealt with by the local officials, in accordance with treaty."

The South Manchurian Railway, designated in the agreement as the "Southern Manchuria Branch of the Chinese Eastern Railway," was constructed pursuant to an agreement of July 7 [*6?*], 1898 between the Chinese Government and the Chinese Eastern Railway Company.[50] By the terms of that agreement, also by Article VIII of the Convention of March 27, 1898 between Russia and China for lease to Russia of Port Arthur and the adjacent waters,[51] it was provided that the line, which should begin at a station to be selected on the main line of the Chinese Eastern Railway and extend to the seaports of Dalny and Port Arthur, in the Liaotung Peninsula, should be "dealt with in careful compliance with the terms of the contract of . . . [52] September 8, 1896."

The question regarding the exercise of political jurisdiction over the Manchurian Railway Zone was discussed at some length in 1908 and 1909 between this Government and the Russian Government,[53] as a result of the efforts of the Chinese Eastern Railway to establish a municipality at Harbin. This Government then took the position that the contracts under which the Railway was operating were for the establishment of a business enterprise; that the exercise of political powers by the Company would be out of harmony with the natural interpretation of the text of the agreements, as well as inconsistent with the treaty rights of residence and jurisdiction granted by China to other powers. (*Foreign Relations* 1910, Page 220). This view was finally acquies[c]ed in by the Russian Government, as evidenced by the notes exchanged between the Wai-Wu Pu and the Russian Minister on May 11, 1909,[54] wherein it is specifically recognized that the rights and privileges enjoyed by the subjects of other powers under the treaties between China and such powers were not, in any way, impaired by the railway concession.

It is the view of the Department that in acquiring the Southern Manchuria Railway under Article VI of the Treaty of Portsmouth,[55] the Japanese Government succeeded to such rights only as the Chinese Eastern Railway had, under the above mentioned agreements (the treaty does not assume to give greater rights) and the views expressed by this Government, with respect to the jurisdiction of the Chinese Eastern Railway, are equally applicable to the Southern Manchuria Branch as at present controlled. Moreover, by Article III of the Treaty of Portsmouth, Russia and Japan mutually agreed to "restore

[50] MacMurray, *Treaties and Agreements with and concerning China, 1894–1919*, vol. I, pp. 154 ff.
[51] *Ibid.*, pp. 119 ff.
[52] Omission indicated in the instruction.
[53] See *Foreign Relations*, 1910, pp. 202 ff.
[54] *Ibid.*, p. 212.
[55] *Ibid.*, 1905, pp. 824 ff.

entirely and completely to the exclusive administration of China, all parts of Manchuria ", with the exception of that covered by the lease of the Liaotung Peninsula, and Russia specifically declared that it had no " territorial advantages or preferential or exclusive concessions in Manchuria of such nature as to impair the sovereignty of China or which are incompatible with the principle of equal opportunity ". (*Foreign Relations*, 1905, Page 825.)

With respect to the rights in general of American citizens in the railway zone and the settlements therein, it may be stated that while this Government cannot admit that the Japanese authorities have any jurisdiction over such Americans or that their treaty rights and exterritorial privileges in China shall be in any way abridged, it considers it no more than equitable that American citizens residing within the settlements should contribute their reasonable share of any necessary municipal expenses. In the absence, however, of full information regarding the matter, the Department prefers not to express an opinion as to how such expenses should be raised or as to whether the levy of an income tax would, under the circumstances, be improper.

With respect to Paragraph 3 of your instruction No. 4300 regarding the arrest by Japanese police of American citizens found in the commission of a crime in a Japanese settlement, you are informed that while the statement that Japanese policemen acting in such a case would be exercising no unusual powers, is in itself unobjectionable from a legal standpoint and while this Government probably would not object to the arrest of American citizens under such circumstances, it considers that it would be inadvisable to make an admission of this kind to the Japanese authorities on account of the possible abuses to which such a privilege could easily be subjected.

It is to be understood that the foregoing observations do not apply to the leased territory on the Liaotung Peninsula which is understood to be under the jurisdiction of the Japanese Government.

I am [etc.] FRANK L. POLK

894.0144/26

The Consul General at Mukden (Baker) to the Secretary of State

No. 229 MUKDEN, *September 4, 1919.*

SIR: I have the honor to refer to my despatch of February 6, 1919 which was transmitted to the Department with Legation despatch No. 2615 of March 31st last and to quote the following excerpt from the Legation's despatch to this office No. 4588 of August 1st:[56]

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[56] Legation's despatch No. 4588 not printed.

"I have to enclose for your information a copy of instruction No. 992 of the Department of State dated June 3rd dealing with the attempt of the Japanese authorities to levy an income tax and other matters. As the Department makes no definite ruling on the income tax it is desirable that you should report fully to it concerning this particular matter and ask a specific instruction as to whether or not Americans are to pay this tax in the future."

The facts in this case are very simple and the issue is very clear. Mr. Grey's letter transmitted with my despatch above mentioned describes the situation very well. There is not much to add excepting one or two details as to the amounts which the Japanese have tried to collect. That the levy is in the nature of an income tax admits of no question. Members of the Standard Oil Company, for instance, were assessed according to their several incomes. Mr. Grey was charged about forty-four Gold Yen per quarter, Mr. Callahan, whose salary is somewhat less, was charged about thirty Yen for the same period and others were charged in proportion. Mr. Shrap, the American Manager of the Shanghai Life Insurance Company, received a quarterly bill for about thirty-five Yen although he paid no rent and did not even live in a rented house and did not own any real property in the Japanese Concession. He was residing in the Yamato Hotel, which is owned and operated by the South Manchuria Railway. This income tax appears to be a general imposition which the Japanese are trying to levy and it is intended to defray the municipal expenses mentioned in my despatch of February 6th. As explained therein there seems to be no reason why Americans should not contribute something toward the maintenance of the settlement in which they live. It is the form of the tax rather than the tax itself which is most objectionable.

I enclose herewith a copy of my despatch of May 19th in this regard which was sent to the Japanese Consul General and also transmit a copy of his reply of August 8th together with the enclosure which he mentions. From the last mentioned document it appears that the Japanese consider the tax in the nature of "municipal rates" which are collected in British and other concessions in China and that the manner of assessment is more or less incidental and is determined by the financial ability of the persons assessed. The following quotation therefrom harmonizes with Mr. Grey's statement of the case:

"Further the rate of imposition is assessed according to the residents' individual economical capacity and such capacity having been carefully investigated by the local director of the administrative office in each district is reported to the head-quarter[s] of the company which decide the rate and class of such imposition taking the reports and other conditions into consideration."

As suggested on page three of my despatch of February 6th it seems desirable that the Japanese and American authorities come to some understanding about this matter so that the local officials concerned may know exactly where they stand and to what extent they will be supported in their contentions.

I have [etc.] E. CARLETON BAKER

[Enclosure 1]

The American Consul General at Mukden (Baker) to the Japanese Consul General at Mukden (Akatsuka)

MUKDEN, *May 19, 1919.*

SIR AND DEAR COLLEAGUE: I have the honor to refer to our recent conversation with regard to the taxation of Americans in the Japanese settlement and to state that the method of assessing the tax in question does not seem to be in accord with your expressed opinion that the tax is not in the nature of an Income Tax but is the same as the "rates" which are collected in other foreign settlements in China.

The Americans living in the Japanese settlement are perfectly willing, as I explained, to contribute their reasonable share toward the upkeep of the settlement but they do not consider that they are liable to the Income Tax which the Japanese are trying to collect. The Japanese tax officials have made it very evident that the levy which they are imposing is an Income Tax, for people enjoying exactly the same privileges are charged various amounts according to the salaries which they receive. The Japanese assessors, in fact, asked each man what his income was.

While it seems proper that American citizens living within the Japanese Concession should contribute their reasonable share to the cost of municipal services, the levying of an Income Tax does not seem to be a suitable manner of accomplishing this. There is an underlying difference in principle between the taxation of real property and personal taxation. In giving a "concession" to a foreign power, the land itself is made the subject of an agreement between China and the grantee Government; it would therefore seem logical to conclude that together with the land the Chinese Government might delegate to the grantee Government the right to levy thereon charges necessary for maintaining the local Municipal service. This is done, for instance, in the British Concession, where, however, the principle of representative Government is applied and a vote is given to every rate-payer in controlling the Municipal services and finances.

I am sure that you will agree with me that the taxation of Europeans and Americans in the Japanese settlement is a question of great

importance and that it has far reaching consequences. The method of assessing and collecting taxes should not be left to the discretion of the local tax officials in the Japanese settlement but should be investigated and determined by the highest Japanese and Non-Japanese authorities who are familiar with International Law and with the precedents which have been established in other places. This question has several important phases. One of these has to do with the established principle that there should be "no taxation without representation". If, therefore, the Japanese Municipality in Mukden is disposed to tax Non-Japanese it should immediately take steps to have Non-Japanese members on the Municipal Council.

I have told certain Americans in the Japanese settlement that this important question is now the subject of negotiations between the Japanese and American Consulates General and that they may await the final decision before taking any definite action.

I assure you that I am willing to view this whole question in a liberal and broad minded spirit, but I feel that the issue involved is very momentous and that it should be determined according to the highest principles of International Law and in harmony with the most modern and enlightened ideas with regard to the taxation of people in one country by the officials of another.

I have [etc.] E. CARLETON BAKER

[Enclosure 2]

The Japanese Consul General at Mukden (Akatsuka) to the American Consul General at Mukden (Baker)

MUKDEN, *August 8, 1919.*

SIR AND DEAR COLLEAGUE: I have the honor to acknowledge the receipt of your despatch dated May 19th, regarding imposition of public expenditure upon Americans in the Japanese settlement here.

I did not lose no time to refer this matter to the President of the S.M.R.C., from whom I have just received the reply in the sense stated in the enclosure.

I have [etc.] S. AKATSUKA

[Subenclosure]

The President of the South Manchuria Railway Company to the Japanese Consul General at Mukden (Akatsuka)

In Article 6 of the treaty under which Eastern Chinese Railway was organized it is expressly stipulated that the administrative power of Russia in the railway zone is absolute and exclusive. This

railway zone together with its administrative power, as it was, was transferred to Japan by the Russo-Japanese Treaty of 1905. The Government of Japan have delegated the administration of railway concession to the S.M.R.C. by an order under which this Company was organized. The right of imposition of the public expenses in the railway zone is based on this Governmental commission and it is out of question that the residents in the area, regardless of their nationality, are subjected to such imposition. While the imposition of public expenses has its legal ground on the above stated transfer and delegation, the amount collected from such imposition is only a small portion of the whole expenditure required for the public work and its maintenance. Further the rate of imposition is assessed according to the residents' individual economic capacity and such capacity having been carefully investigated by the local director of the administrative office in each district is reported to the head-quarter[s] of the Company which decide the rate and class of such imposition taking the reports and other conditions into consideration.

It appears that as the general rule a representative system of rate-payers be advocated in the concession, provided all those rate-payers are prepared to pay whole necessary expenditure for the public work and its maintenance. It should, however, be taken into consideration that the residents are paying only a small portion of such expenditure as above stated; for instance the administrative expenditure in 1917 in the whole railway concession was more than ¥.18,420,000, while the collection from the residents was more or less ¥.1,170,000, that is only 6 per-cent of the total sum defrayed by this Company, while 94 per-cent of the total sum is borne by the Company—roughly speaking nearly total expenditure. In the present individual economical condition it is doubtless impossible to collect from the residents the total sum required for public expenditure and it appears that the representative system is yet too early to be adopted.

[No signature indicated]

894.0144/26

The Secretary of State to the Consul General at Mukden (Baker)

No. 77 WASHINGTON, *November 22, 1919.*

SIR: The Department is in receipt of your despatch No. 229 of September 4, 1919, with further reference to the action of the Japanese authorities in attempting to levy an income tax for municipal purposes on American citizens in the Japanese settlement at Mukden.

in which you enclose copies of communications exchanged between you and the Japanese Consul General on the subject. It is noted that in the communication said to have been received by the Japanese Consul General from the President of the South Manchuria Railway Company, it is stated that in Article VI of the Agreement under which the Chinese Eastern Railway was organized, it is expressly stipulated that the administrative power of Russia in the railway zone is absolute and exclusive; that the zone together with the power was transferred to Japan by the Russo-Japanese Treaty of 1905; that the Government of Japan has delegated the administration of the concession to the South Manchuria Railway Company by an order under which the Company was organized; that the right to assess public expenses in the zone is based on the aforementioned Governmental concession, and that beyond question, residents in the area regardless of their nationality are liable to such expenses.

The Department does not find in Article VI of the Agreement referred to that such broad power as indicated by the President of the Railway was conferred thereby upon the Russian Government. The article in question reads as follows:

"As regards the land required by the Company for constructing, managing, and protecting the line and adjacent land, for procuring sand, earth, stones, and lime, if the land be Government land, it will be given the Company without payment. If privately owned, the Company will provide funds for payment to the proprietors at market rates, either in one payment or as yearly rent. All the Company's land will be exempted from land tax. As soon as the land comes under the management of the Company,[59] they may erect thereon any buildings and carry on all kinds of work, they may establish a telegraph line thereon worked by the Company for the Company's use. With the exception of mines, for which special arrangements must be made, all receipts of the Company for transport of passengers and freight, telegram[s], etc., will be exempt from all taxation."

As was pointed out in the Department's instruction of June 3 last, to the Minister at Peking,[60] and as had been repeatedly stated theretofore and admitted by the Russian Government in connection with the discussion in 1908 and 1909 of the efforts of the Chinese Eastern Railway to establish a municipality at Harbin, the contracts under which the Railway is and was then operating were merely for the establishment of a business enterprise and did not contemplate an exercise by the Company of political powers. Moreover, the ex-

[59] The French text corresponding to this clause is "*La Société aura le droit absolu et exclusif de l'administration de ses terrains*"; see *Foreign Relations*, 1910, p. 219.

[60] *Ante*, p. 449.

ercise of such powers would, as heretofore stated, be entirely inconsistent with the Treaty rights granted by China to other powers, including the United States, and could not be admitted by this Government.

Since, therefore, the Railway Company has no right to exercise political powers in the Railway Zone and *a fortiori* no right to in any way exercise control or jurisdiction over the person or property of American citizens therein, it follows that the Railway officials have no authority to impose upon such citizens any charge or form of taxation. In the opinion of this Government it would be particularly inappropriate for an industrial enterprise to impose a tax in the levy of which the personal and business affairs of such citizens are inquired into by foreign officials in derogation of their extraterritorial rights and by which they are required to contribute according to their respective earning capacities or financial ability, rather than in proportion to the benefit derived from enjoyment of the public improvements.

While the foregoing expresses in brief the Department's views as to the legal phase of the case this Government is quite willing to concede, as indicated in the Department's above mentioned instruction of June 3 and in your communication of May 19, 1919, to the Japanese Consul General, the justice of American citizens' meeting their fair share of public expenses in municipalities in which they may reside, but when, as in this case, such municipalities are located in a territory in which this Government retains exclusive jurisdiction over its nationals, it would want to be consulted as to the reasonableness of the rates and the manner of levying and collecting the assessments.

The American citizens to whom you refer may be informed in the sense of the foregoing and told that unless, and until this Government is approached by the Japanese Government and some satisfactory understanding is reached any payments made by them to the South Manchuria Railway officials should be with the clear and distinct understanding that they are merely voluntary contributions on their part and wholly void of official sanction. Should the Railway officials or Japanese authorities approach you on the subject you should report the facts to the Department and await its further instructions. Meanwhile, you may discreetly ascertain the attitude of the representatives at Mukden of other governments and report to the Department.

I am [etc.]

For the Secretary of State:
WILBUR J. CARR

INJUNCTIONS TO AMERICAN CITIZENS TO AVOID INTERFERENCE IN POLITICAL AFFAIRS IN KOREA (CHOSEN)

763.72119/4013

The Consul General at Seoul (Bergholz) to the Acting Secretary of State

No. 5 SEOUL, *January 29, 1919.*
[*Received March 6.*]

SIR: Referring to despatches Nos. 325 and 329, dated January 10 and 17, 1919, respectively, from Mr. Consul Curtice,[61] relative to the reported agitation of certain Koreans in the United States, having in view the reestablishment of the independence of Korea, and quoting the statement of Dr. Ramakichi Nakajima, professor at the Imperial University at Tokyo, appearing in the *Japan Advertiser* of January 7, 1919, that "there can be little doubt that American missionaries are behind the independence movement of of the Koreans", I now have the honor to inform the Department that on the 24th instant I addressed a communication to the Secretaries of the several Mission Stations in Chosen, a copy of which is an enclosure, to which were attached, for their guidance and that of the members of the Stations, copies of a circular letter, sent in 1897, at the instance of the Department, by the Minister Resident and Consul General at Seoul to all Americans in Korea, enjoining upon them the necessity of scrupulously abstaining from participating in the domestic affairs of the country.

Although I fully believe our missionaries in Chosen are not in sympathy with the movement referred to, I nevertheless deemed it prudent, rather for the benefit of the younger than the older missionaries, to bring to their notice the views of the Department, so clearly expressed in its instruction to Minister Sill, as to the necessity of their holding themselves wholly aloof from all political questions.

The death of the ex-Emperor, the last independent ruler of Korea, has made a profound impression among the people, and has revived a strong feeling of loyalty toward the Royal House.

A copy of this despatch has been forwarded to the Embassy at Tokyo.

I have [etc.] LEO BERGHOLZ

[Enclosure]

The Consul General at Seoul (Bergholz) to the Secretaries of the American Mission Stations in Korea

SEOUL, *January 24, 1919.*

SIR: In connection with the action of certain Koreans in the United States in presenting to Congress a petition begging the inter-

[61] Neither printed.

vention of our Government in reestablishing the independence of Korea, the *Japan Advertiser*, in its issue of January 7, 1919, published what purports to be an interview with Dr. Ramakichi Nakajima, a professor at the Imperial University, in which Dr. Nakajima is quoted as saying that:

"There can be little doubt that the American missionaries are behind the independence movement of the Koreans."

Although I am convinced that our missionaries now in Chosen have held themselves aloof from the movement referred to I am, nevertheless, sending you, for the guidance of the members of your Mission Station, copies of a circular letter addressed, at the instance of the Department of State, by the American Minister Resident and Consul General at Seoul, on May 11, 1897, to all Americans in Korea, enjoining upon them the necessity of scrupulously abstaining from participating in the domestic affairs of the country.

Very respectfully yours,

LEO BERGHOLZ

[Subenclosure]

The Minister in Korea (Sill) to American Residents in Korea

SEOUL, *May 11, 1897.*

SIR: By direction of the Secretary of State I am required to make publicly known to each and every citizen of the United States sojourning or being temporarily or permanently in Korea, the repeatedly expressed view of the Government of the United States that it behooves loyal citizens of the United States in any foreign country whatsoever to observe the same scrupulous abstention from participating in the domestic concerns thereof which is internationally incumbent upon his Government. They should strictly refrain from any expression of opinion or from giving advice concerning the internal management of the country, or from any intermeddling in its political questions. If they do so, it is at their own risk and peril. Neither the Representative of this Government in the country of their sojourn, nor the Government of the United States itself, can approve of any such action on their part, and should they disregard this advice it may perhaps not be found practicable to adequately protect them from their own consequences. Good American citizens, quitting their own land and resorting to another, can best display their devotion to the country of their allegiance and best justify a claim to its continued and efficient protection while in foreign parts, by confining themselves to their legitimate avocations, whether missionary work, or teaching in schools, or attending the sick, or other calling or business for which they resort to a foreign country.

I am [etc.] JOHN M. B. SILL

763.72119/4013

The Acting Secretary of State to the Consul General at Seoul (Bergholz)

No. 9 WASHINGTON, *March 8, 1919.*

SIR: The Department acknowledges the receipt of your Despatch No. 5 of January 29, 1919, enclosing copy of a communication which you addressed on January 24 to the Secretaries of the several Mission Stations in Chosen calling their attention to a circular letter addressed, at the instance of the Department of State, by the American Minister Resident and Consul General at Seoul, on May 11, 1897, to all Americans in Korea, enjoining upon them the necessity of scrupulously abstaining from participating in the domestic affairs of the country.

In reply you are informed that your action as reported in the despatch under acknowledgment is approved.

I am [etc.]

For the Acting Secretary of State:
WILBUR J. CARR

395.116/99 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *April 6, 1919, midnight.*
[*Received April 7, 10.25 a.m.*]

I received last night the following telegram from Consul General at Seoul: April 5, 12 noon, Eli Miller Mowry, American of Presbyterian mission [at] Pyengyang, arrested for permitting Koreans to use his premises for printing propaganda.[62] Officially government [*Embassy?*] has reported incident to Japanese Minister for Foreign Affairs. I fear that this action of the Korean authorities will be followed by others of a similar character. All the evidence I can gather fully supports the statement that the American missionaries have not directly inspired or supported the present movement of passive resistance to Japanese authority and were wholly ignorant of the population [*sic*] to inaugurate it. We must recognize however, that it has [practically the] unanimous support of the native Christians who because of better education, closer organization and enthusiastic conviction have taken a prominent part in the leadership. It says [*appears?*] that among the leading centers of unrest are the cities in which the mission stations are located.

[62] Papers on this case not printed. The charge was changed to that of harboring Korean students wanted by the police and the case was finally settled by the payment of a fine.

Herein lies one of the chief causes for charging the foreign missionaries with responsibility and also the embarrassment of the missionaries. They have the closest possible relations with their native converts and in many cases deep sympathy and affection for them. Furthermore, out of some 3800 American missionaries it is safe to say that [ninety] per cent of them while recognizing the material benefits of Japanese rules [*sic*] are at heart antagonistic to the Japanese methods of military government in Korea.

It is a sound instinct therefore which leads the Japanese authorities to see, in the influence of Christian missions and the organization which it is building up, a serious menace to their system. The Japanese officials recently in a series of informal conferences at Seoul asked for leading missionaries to use their influence in support of the Government. This was a clever request. If acceded to they hoped it might aid in suppressing the movement and at the same time permanently weaken the mission work. If refused, as I am reliably informed it was, it tended to prove the Japanese charges and laid the ground for interference with the missionaries on any pretext whatever.

A committee of the Presbyterian mission body with which Bishop Welsh of the Methodist mission associated himself visited me yesterday and asked my advice. In reply to their questions I confidentially expressed the following personal views:

1st, I agreed with the committee that it would be inexpedient for them to seek occasion to present the grieviences of the Koreans to Government officials in Tokyo as had been suggested. This would only serve to identify them with the national movement.

2nd, I thought it would be most unwise for them to explain local conditions for the benefit of editors of foreign newspapers in Japan. In this connection I deprecated the use of the organization of American missionaries by the foreign papers in China for the purpose of arraigning the conduct of Japanese authorities.

3rd, I counselled absolute neutrality urging the committee to return as quietly as possible to Korea and to confine their activities to religious and medical work.

4th, I expressed the personal opinion that they were not called upon to sacrifice their convictions or their influence by openly supporting what they deemed to be the arbitrary and often cruel repressive measures of the Japanese officials but I warned them that they must be careful not to do any thing which might be interpreted as support or encouragement to the popular movement.

Finally, I expressed my appreciation of the practical difficulties of their position but explained that if by word or deed they identified themselves with the Korean national movement they would render it extremely difficult for our Government to protect their interests as American citizens resident in a foreign and friendly country.

MORRIS

895.00/595 : Telegram

The Ambassador in Japan (Morris) to the Acting Secretary of State

TOKYO, *undated.*
[*Received April 12, 1919, 7.05 a.m.*]

Following from Consul General [at] Seoul April 11, 5 p.m. Yesterday gendarmes entered Severance Hospital, American institution, and took to police station under protest of surgeon, three Korean patients suffering from serious gunshot wounds inflicted by police. Superintendent general police assured Curtice who demanded explanation, that action was strictly according to law as men were criminals. Report follows.[63]

MORRIS

895.00/595 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Morris)

WASHINGTON, *April 14, 1919, 6 p.m.*

Your undated telegram transmitting Seoul's April 11, 5 p.m.

Department desires that the Consulate at Seoul should jealously guard American interests but at the same time exercise the greatest precaution and restraint in dealing with the general situation in Korea and with specific cases involving Americans as they may arise. In the latter case facts should be reported to the Embassy.

The Consulate should be extremely careful not to encourage any belief that the United States will assist the Korean nationalists in carrying out their plans and it should not do anything which may cause Japanese authorities to suspect American Government sympathizes with Korean nationalist movement.

This is the attitude of the American Government in the Egyptian trouble.

POLK

895.00/667

The Secretary of State to the Consul General at Seoul (Miller)

No. 7 WASHINGTON, *December 26, 1919.*

SIR: The Department has received and read with interest Consul General Bergholz's despatch No. 109, of October 27, 1919,[63] reporting among other items relative to the situation in Korea, the presentation by a Committee of the Federal Council of Protestant Evangelical Missions in Korea to the Governor-General of a communication setting forth what the Committee deemed "to be the most imperative

[63] Not printed.

changes necessary, if real religious liberty and educational freedom are to be secured."

While the Department recognizes that others than American missionaries may have been responsible for the major part of this document, it is desired to point out that in some few sections at least the suggestions are political in tone with but slight reference to the avowed objects of the communication. While it might be argued that the fact that the communication was written at the Governor General's invitation might acquit the writers of the "communication" of any desire to overstep the limits of propriety in their statements, the Department feels that the greatest care should have been exercised with a view to avoiding the introduction of irrelevant suggestions, purely political in character, which might serve to foster in the minds of the Japanese a suspicion that the foreign missionaries in Korea are inclined to interfere in the political affairs of the country.

From your despatch of January 29, 1919, (Serial No. 5)[64] it appears that care was taken to warn American Missionaries against such a policy; and the Department has to suggest that you should take opportune occasion again discreetly to indicate to American Missionaries, and particularly to those on the Committee of the Federal Council, its doubts as to the expediency of such communications as that to which the present instruction refers.

I am [etc.] For the Secretary of State:
WILBUR J. CARR

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[64] *Ante*, p. 458.

LIBERIA

FINANCIAL AFFAIRS [1]

Efforts to Obtain French and British Approval of an All-American Receivership—Discussion at Paris; Refusal by the American Government of a Protectorate or Mandate—Plan to Terminate the International Receivership by Refunding the 1912 Loan—Discussion with the Treasury Department as to Amount of Credits Available

882.73/13 : Telegram

The Chargé in France (Bliss) to the Acting Secretary of State

[Extract [2]]

PARIS, *January 15, 1919, 12 p.m.*
[*Received January 16, 8.03 a.m.*]

6774. My 6749, Jan. 14, 9 p. m. [3] Following is translation of note dated 10th instant just received from Foreign Office.

By its note of December 29 last [4] the Ministry for Foreign Affairs expressed to the American Embassy the desire that it should acquaint the Federal Government with the attitude adopted by the Government of the Republic in regard to the financial aid to be extended to the Liberian Government.

It is desirable that France and England should participate as they have done heretofore in the said financial assistance. If the latter were provided by the United States alone it might indeed be considered that the resulting control over the administration of Liberia would be tantamount to the establishment of a veritable protectorate.

It appears from information received from the French Embassy at Washington that the Federal Government considers that this question of financial reorganization is not one which should be submitted to the Peace Conference, but settled between England, the United States and France. The Government of the Republic, desirous of entering into the view of the Federal Government in this respect, and, like it, aiming only at the financial welfare of Liberia, is disposed to examine in the most conciliatory spirit the propositions which the Dept. of State might make. Moreover, in the event of the proposed loan being granted to Liberia by the United States alone the Ministry for Foreign Affairs will not insist upon an American protectorate being declared over that country. It would, however, be understood that the established control involved [*involving*], *de facto*, a sort of protectorate, the Government of the Republic

[1] Continued from *Foreign Relations*, 1918, pp. 505–547.
[2] Printed in full, p. 515.
[3] *Post*, p. 514.
[4] See telegram No. 6568, Dec. 30, 1918, from the Chargé in France, *Foreign Relations*, 1918, p. 547.

would, henceforward, [for all] demands which it might have to make to the Liberian Govt., have recourse to the Federal Government and request that it support them.

. . . . . .

BLISS

882.51/897a : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *January 17, 1919, 3 p.m.*

4112. Following is substance of memorandum handed to British Chargé yesterday:

Department has given careful consideration to suggestion British Government that financial aid and rehabilitation of Liberia be considered at the Peace Conference.[5] American Peace Mission is of opinion that this subject has no bearing on other questions for consideration at conference and should be settled directly among the governments. Liberian question is not one affecting West Africa. Liberia is an independent nation and should not be considered in relation with captured German colonies in West Africa. United States as Liberia's next friend has always been looked to for establishment necessary reforms and performance of obligations under Loan Agreement.[6] This has been difficult under financial *entente* and Liberia has not accomplished many things desired by Receivers. The time has now come when United States desires to give favorable consideration to appeals of Liberia and colored people in the United States. American Government does not anticipate British Government will interpose objection to new proposal as outlined in Department's memorandum of November 19[7] regarding all American Receivership. New proposal in no way to be regarded as indicating slightest desire to establish protectorate by United States but merely to maintain historic position as Liberia's next friend. This Government is particularly anxious that opportunity for trade and investment be afforded foreign capital subject to proper safeguards.

POLK

882.51/919

The Chargé in Liberia (Bundy) to the Acting Secretary of State

No. 291 MONROVIA, *January 23, 1919.*
[*Received March 12.*]

SIR: I have the honor in confirmation of the Legation's cable of Jan. 22, 1 [7], p.m., 1919,[8] to transmit herewith a certified copy of

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[5] See telegram of Dec. 21, 1918, 1 p.m., from the Ambassador in Great Britain, *Foreign Relations*, 1918, p. 546.
[6] For negotiations, see *ibid.*, 1912, pp. 667 ff.
[7] See telegram of Dec. 7, 1918, 4 p.m., to the Chargé in Great Britain, *ibid.*, 1918, p. 545.
[8] Not printed.

the law authorizing and empowering the President of Liberia to accept the proffered loan credit of $5,000,000.00 from the Government of the United States, etc. The text of this law as passed by the Legislature and approved by the President is exactly the same as the text received by the Legation in Department's cable of Jan. 16, 5, p.m.[8]

I have [etc.] RICHARD C. BUNDY

[Enclosure]

Resolution of January 22, 1919, Authorizing the President of Liberia to Accept a Loan from the Government of the United States

It is resolved by the Senate and House of Representatives of the Republic of Liberia in Legislature assembled:

SECTION 1. That the President of Liberia, be, and he is hereby authorized and empowered to accept the proffered Loan Credit of Five Million Dollars $5,000,000.00 from the Government of the United States, and to enter into such Agreements and appoint such additional American Assistants as may be necessary to make the Credit effective and carry the Financial Program into operation for the rehabilitation and development of Liberia.

Any law or parts of law to the contrary notwithstanding.

Approved January 22nd. 1919.

D. E. HOWARD
President of Liberia

882.72/13 : Telegram

The Acting Secretary of State to the Chargé in France (Bliss)

WASHINGTON, *January 25, 1919, 1 p.m.*

7126. Your 6674 [*6774*]. Please reply to Foreign Office in following sense:

The point of view of the United States Government on the question of financial rehabilitation in Liberia is set forth in a memorandum which was handed by the Department of State to the French Ambassador on November 19.[9] This Government feels that financial aid and rehabilitation of Liberia is not a matter to be considered at the Peace Conference and should be settled directly among the Governments concerned. This Government is gratified that apparently the Government of the Republic is disposed to share the view point of the American Government in this respect.

The United States as the next friend of Liberia and as sponsor for the loan of 1912 has always been looked to for the establishment

[8] Not printed.

[9] See telegram of Dec. 7, 1918, 4 p.m. to the Chargé in Great Britain, *Foreign Relations*, 1918, p. 545.

of the necessary reforms in Liberia and the performance of the obligations of that Republic, under the loan agreement and in international affairs. This has been difficult in operation under the financial *entente*. In consequence the Government of Liberia has not been able to accomplish many things which it had hoped to accomplish, the desirability of which had been mutually agreed upon by the United States, the British and the French Receivers. The time has now arrived when the United States desires to give favorable consideration to the repeated appeals of Liberia and the colored people of this country, who have evinced a renewed interest in Liberia's affairs and are petitioning that the United States Government, as the founder of Liberia and for other historic reasons and ties, should give more definite assistance than has been extended in the past. At the time of the exchange of notes and negotiations for the refunding of the loan of 1912, this Government invited the French Government to take part in the receivership. Events have now proved that multiple control of Liberian financial affairs has not given the expected results and benefits to the people of Liberia and this Government consequently put forward a new proposal for the financial rehabilitation of Liberia as outlined in the memorandum of November 19, which is undertaken solely in the interest of Liberia itself. This Government desires to emphasize that the proposal of November 19 is in no wise in the nature of the establishment of a protectorate over Liberia, nor is it to be considered as indicating that the United States has the slightest desire to establish or intention of establishing such a protectorate. On the contrary, it is the earnest and fixed desire of this Government that the sovereignty and welfare of Liberia shall be conserved and protected and it is this point of view alone which prompts the Government of the United States to set forth the proposal for the reorganization of Liberian finances.

The application for concession by the Société Coloniale has been fully dealt with by Department in note to French Chargé [10] and summary cabled to you in Department's 7043.[11]

The Department reserves for later discussion the question of the landing of the German cable.[12]

POLK

882.51/903a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *February 4, 1919, 3 p.m.*

558. For Secretary Lansing.

It has come unofficially to the attention of the Department that

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[10] Note of Jan. 18, p. 517.
[11] Not printed.
[12] For papers concerning cable concession, see pp. 504 ff.

the French and British Governments have referred to you questions of the financial assistance to Liberia and related matters for possible action or reference to the Peace Conference. In this case I would suggest the advisability of Worley, American Financial Adviser of Liberia, immediately proceeding to Paris to advise with and assist you as he is thoroughly conversant with all matters relating to Liberia. If Liberian matters are not to be handled in Paris, I should prefer to have Worley remain here for the present.

POLK

882.51/906 : Telegram

The Ambassador in France (Sharp) to the Acting Secretary of State

PARIS, *February 12, 1919, 10 p.m.*
[*Received February 13, 1.42 a.m.*]

7173. Your 6674 [*7126*], January 25. Foreign Office note dated 11th instant states:

"The Government of the Republic is of the same opinion as the Federal Government that the question of the financial aid to be given Liberia is not one to be submitted to the Peace Conference: it is expedient to settle it directly between the Governments concerned.

Doubtless the Federal Government will deem it advisable to take advantage of the presence in Paris of the officers of the Department of State and of the Foreign Office as well as of the Liberian Secretary of State, for the purpose of forming a commission which would be called upon to arrange a settlement of this matter: this commission would be composed of American, English, Liberian and French delegates.

To this end the Government of the Republic is disposed to designate two delegates and to request the British and Liberian Governments to do likewise, if the Federal Government will do the same and take similar action.

There should also be laid before this commission which it would be expedient to convene as soon as possible the question of the system for the concessions to be granted in Liberia, and the question concerning the landing of the German Monrovia–Pernambuco cable which cannot without prejudice remain longer in abeyance. Finally it would be called upon to submit the clauses to be inserted in the Peace Preliminaries with a view to protecting Liberia from the ambitions of Germany which latter country will in particular have to renounce participation in the assistance extended to the Liberian Government.["] [12]

Copy of note forwarded to Ammission.

SHARP

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[12] Corrected to accord with text transmitted in the Ambassador's despatch No. 7084, of Feb. 13, received Mar. 1 (File No. 882.51/912).

882.51/907 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *February 16, 1919, 5 p.m.*
[*Received 8.55 p.m.*]

778. Your 558 [February 4,] 3 p.m. The Commission believes that it will be desirable for Mr. Worley to proceed to Paris in connection with the various questions regarding Liberia at present under consideration. It is of course understood that Mr. Worley will not be attached to the American Commission but will come on his own initiative and at his own expense.

AM[ERICAN] MISSION

882.51/906 : Telegram

The Acting Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *February 25, 1919, 6 p.m.*

7525. Your 7173, February 12, 10 p.m.

After reference to and approval of the Mission, reply as follows to the French Government:

It is the view of the Government of the United States that as the Republic Liberia is an independent sovereign state questions touching its sovereignty such as those of financial and economic rehabilitation and concessions cannot properly be submitted to the Peace Conference or to a commission composed of representatives of foreign powers.

The Government of the United States feels, therefore, that the matter of concessions should be left to the Liberian Government for determination in consonance with existing Liberian legislation on the subject. Under this legislation, impartiality of consideration and equality of treatment to all applications not monopolistic in character are provided for and the indiscriminate granting of concessions is guarded against.

As regards financial rehabilitation, the United States, in compliance with the request of Liberia, has consented to advance a loan covering the general financial needs of Liberia. Should any points of the American financial program require elucidation, Mr. Strauss, representing the Treasury Department of the United States, is at the present time in Paris and is prepared to discuss informally the question of financial aid to Liberia. Furthermore, the financial adviser to Liberia, to whom reference was made in the Department's note of January 18th [13] to the French Chargé in this city, is already on his way from the United States to Europe in order to confer with the financial interests concerned.

POLK

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[13] *Post*, p. 517.

763.72119/4808

The Secretary General of the Commission to Negotiate Peace (Grew) to the Acting Secretary of State

[PARIS,] *April 17, 1919.*
[*Received May 1.*]

SIR: With reference to the Commission's telegrams of April 7th, No. 1512, 6 p.m.,[14] and April 17th, 1639, noon,[14] referring to the informal conference which took place in the African Section of the French Foreign Office on March 27th, in reference to Liberian affairs, I have the honor to enclose herewith, for the information of the Department, the following documents:

(1) A letter from the Secretary General, American Commission to Negotiate Peace to the American Ambassador, dated March 7th,[14]
(2) A *note verbale* dated March 11th from the American Ambassador to the French Foreign Office.
(3) A *note verbale* from the French Foreign Office to the American Ambassador, dated March 26th,
(4) A memorandum prepared by Mr. Beer and Mr. Stabler of informal conference at French Foreign Office on March 27th,
(5) Draft of a memorandum to be discussed in a further informal conference to be held at the French Foreign Office,[14]
(6) Draft of a proposed treaty between the United States and Liberia.[14]

I have [etc.] J. C. GREW

[Enclosure 1]

The American Embassy to the French Ministry of Foreign Affairs

PARIS, *March 11, 1919.*

With reference to the *Note Verbale* from the Ministry for Foreign Affairs, dated February 11th., it is the view of the Government of the United States that, as the Republic of Liberia is an independent sovereign state, questions touching its sovereignty, such as those of financial and economic rehab[il]itation and concessions, cannot properly be submitted to the Peace Conference or to a commission composed of representatives of Foreign Powers.

The Government of the United States feels, therefore, that the matter of concessions should be left to the Liberian Government for determination, in connection with existing Liberian legislation on the subject. Under their legislation, impartiality of consideration and equality of treatment to all applications, not monopolistic in character, are provided for, and the indiscriminate granting of

[14] Not printed.

concessions is guarded against. As regards financial rehabilitation, the United States, in compliance with the request of Liberia, has consented to advance a loan covering the general financial needs of Liberia.

It is felt, nevertheless, that the more expedient method of procedure as regards the putting into effect of the American plan for the general rehabilitation of Liberia, embodied in the Notes of the Government of the United States to England and France of November 19, 1918, will be to have informal conferences between those officials of the American, French, and British Governments conversant with Liberian affairs, now in Paris.

[Enclosure 2]

The French Ministry of Foreign Affairs to the American Embassy

In response to the Note of the Embassy of the United States of the 11th of this month, the Ministry for Foreign Affairs has the honor to state that the Government of the Republic, like the Federal Government and the British Government, [is] of opinion that it is advisable to proceed to a preliminary exchange of views upon the question of Liberian affairs between the British, American, and French representatives.

To this end, M. de Peretti de la Rocca, Minister Plenipotentiary, upon the suggestion of M. Knatchbull-Hugessen, British Delegate, proposed to Mr. Beer, of the American Delegation, to meet in his office at the Ministry for Foreign Affairs Thursday next, March 27th, at 3 p.m.

PARIS, *March 26, 1919.*

[Enclosure 3]

Memorandum of an Informal Conference of American, British, and French Representatives

[PARIS,] *March 27, 1919.*

As suggested in the answer of the French Foreign Office to the American Embassy's note of March 11th, in regard to an informal conference concerning Liberia, Mr. Stabler and Mr. Beer went to Mr. de Peretti's office in the Ministry of Foreign Affairs this afternoon. There were also present, Mr. Duchêne, Director of the African Section of the French Ministry of Colonies, Mr. Sperling Chief of the American Section of the British Foreign Office, and Mr. Knatchbull-Hugessen of the British Foreign Office.

Mr. de Peretti commenced by stating that it had been agreed that informal conferences were to take place in regard to the present situation in Liberia, particularly in the light of the plan of the Government of the United States for the financial and general rehabilita-

tion of the country, presented to the French and British Embassies on November 19, 1918. He said that this plan of the United States, whether the United States desired to admit it or not, was practically a protectorate over Liberia. Mr. Beer said that the Government of the United States did not consider it at all in that light, but both the British and French contended that even if it were not called a protectorate it was virtually a protectorate as American officials would occupy practically the same positions as did the French officials in Morocco.

Mr. Hugessen then brought up the matter of the close connection between the theory of the League of Nations and the present situation in Liberia, stating that he felt that if the United States was not willing to accept a mandate over Liberia, the Powers could be accused of only desiring the League of Nations to be used as suited them. Mr Stabler and Mr. Beer made a reservation in this connection that they had no instructions in regard to the matter of a mandate, but would present the matter to the Commissioners.

As far as the American plan of November 19th went, apparently the British had no objections to it and the French only very few. The French seemed to be particularly interested in adequate government of the Liberian hinterland, in order that trouble on the French frontier from incursions of Liberian native tribes could be stopped.

The French were also particularly interested in the matter of concession for a railroad which the Société Coloniale pour le Commerce et l'Industrie, a French Corporation, desired to obtain to connect Monrovia with Beyla in French Guinea. Mr. Beer pointed out that the proposed concession would give a considerable portion of the Republic of Liberia to the concessionaire, for exclusive exploitation, which was considered impossible. Mr. de Peretti said that the company was perfectly willing to change this; that they had only followed in this the draft of a concession which an American had asked for.

The question was then discussed, if the American plan was put into effect, when the British and French officials should be withdrawn and if the American Government would be practically the intermediary between foreign nations and Liberia. The British were particularly interested in the question of allowing the Coast Kru boys to serve as sailors on British ships, and were also interested in a very minor claim against the Government of Liberia for property of British subjects destroyed.

The question of the German cables [15] was by general consent not discussed as the matter had been left to the Sub-Commission on Cables of the Peace Conference.

[15] For papers concerning cable concession, see pp. 504 ff.

It was decided that Mr. Beer should make a draft of a possible form of an agreement for the three nations to accept, and a further discussion then to take place, based on this draft. Mr. Beer was also to draft an article for the Treaty of Peace, in regard to German rights and claims in Liberia.

To sum up this informal conference, it may be said that the British seem favorable to the American plan of November 19, 1918, but desire that the United States accept some form of an international mandate for the rehabilitation of Liberia; that the French were not opposed to the United States plan of November 19, 1918, but desired the United States to accept responsibility for order in Liberia and, if not in name, to accept responsibility for Liberia under a virtual protectorate. All advocated the open door policy in the country.

882.51/927 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *April 19, 1919, 9 p.m.*

1657. Following received from Monrovia: "April 17 [*16*], 11 am. On April 9 Liberian Government was advised officially by French Chargé d'Affaires here that French Government has designated receiver of customs to replace Wolf who resigned and left Liberia August last. Assent of Liberian Government is requested to this designation but before replying it desires to know whether in view of the possibility of American receivership replacing at an early date existing receivership, President should agree to appoint new French receiver. Legation unofficially informed that French Chargé d'Affaires has advised his Government asking that French receiver be sent at the earliest possible moment. Bundy."

In view of the fact that negotiations regarding Liberia are now proceeding in Paris, might it not be possible for the Mission to suggest informally to the French Foreign Office that appointment of new French receiver be deferred until the conclusion of the negotiations.

POLK

763.72119/4603 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *April 24, 1919, 4 p.m.*

1722. Your 1639 April 17.[16]

The authority for entering into an arrangement with Liberia is based upon the Liberty Bond Acts under which the Secretary of

[16] Not printed; see despatch of the same date, p. 470.

the Treasury with the approval of the President was authorized to establish credits with the United States for any foreign governments engaged in war with the enemies of the United States, and to enter into such arrangements with any such foreign governments as may be necessary or desirable for establishing such credits, for certain specified purposes. The credit of $5,000,000 for Liberia was established last September after specific approval by the President on August 24.[17] The purposes then outlined to the President are the same purposes as the United States now has in view in connection with the loan to Liberia, and any discussion of them is presumably unnecessary. The Secretary of the Treasury, however, has the responsibility for entering into the arrangements under which loans are made to associated belligerent governments and it is necessary that the arrangement with Liberia for the establishment of a loan and for the uses to be made of the advances thereunder should receive his approval.

The draft treaty in your 1639 has accordingly been submitted to the Treasury and after discussion with the Treasury officials the following suggestions are submitted.

(1) It seems to us to enter into a formal treaty with Liberia such as that outlined in your 1639 would be directly contrary to our conversations here with the British and French Embassies. They charged us with an intention to establish a protectorate over Liberia which was emphatically denied. In fact on January 16 a memorandum on this subject was sent to the British Embassy[18] which among other things said "It should be emphasized that the new proposal of this government is in no way to be regarded as indicating that the United States has the slightest desire or intention of establishing a protectorate over Liberia, but rather purposes to maintain its historic position as Liberia's next friend".

(2) In view of the fact that your proposed treaty would establish American control by American officers in practically every important department of the Liberian Government—a control which is more extensive and intimate than the control of the United States in Caribbean countries—it is believed by us doubtful if the Senate would approve such a treaty for a country in Africa.

(3) In view of the powers of the Secretary of the Treasury under the loan Acts it is believed unnecessary to enter into a formal treaty in order to carry out the reforms which the United States had in mind in regard to Liberia. Working on this theory last autumn the Department presented to the British and French Embassies a memorandum dated November 19, 1918, a copy of which Mr. Stabler has which sets forth very roughly the purposes of the United States

[17] See *Foreign Relations*, 1918, pp. 535–537.
[18] See telegram of Jan. 17 to the Ambassador in Great Britain, p. 465.

in making the loan to Liberia. It is understood from your 1512 April 7 [19] that the British and French Governments are not adverse to this plan.

(4) The State and Treasury Departments concur in the view that it would be preferable to enter into an arrangement with Liberia without a formal treaty under something like the following procedure: Liberia to apply formally for a loan setting forth the purposes to which the loan is to be applied, and assurance that certain legislation would be passed and retained in force during the life of the loan providing for certain reforms, for the appointment of a general receiver of all revenues and a financial adviser, both to be acceptable to the United States, for effectively safeguarding equal commercial opportunities of all foreign countries and so on and ending with the hope that Liberia may count on the cooperation of the United States in giving effect to the contemplated reforms and the other measures of the program. Then the United States may reply in proper form, making if it is desirable its acceptance to the Liberian proposal conditional upon sufficient safeguards being provided by Liberia for the repayment of the loan, and making the continuance of the advances by the United States under the arrangement contingent upon faithful execution of the arrangement by Liberia.

The Department is most earnestly of the opinion for the reasons set forth that concluding a treaty with Liberia in the form proposed in your 1639 would be inadvisable at the present time if indeed it would be possible to conclude and ratify such a treaty in the circumstances, in time to meet the present critical situation.

PHILLIPS

882.51/930 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *April 24, 1919, 7 p.m.*
[*Received 9.08 p.m.*]

1772. Your 1657, April 19. Commission's 1760, April 24, 4 p.m.[20] Mr. Beer took occasion in a conference with Mr. Peretti, head of African Section Foreign Office, this morning, informally to mention matter to him of new French Receiver of Customs in Liberia. Mr. Peretti told Mr. Beer that he had given instructions that no steps should be taken in regard to Liberia until conclusion of pending and informal negotiations with Great Britain and the United States and that he would repeat these instructions to the French Colonial Office.

AMERICAN MISSION

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[19] Not printed; see memorandum of conference, Mar. 27, p. 471.
[20] Latter not printed.

763.72119/4815 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *April 30, 1919, 6 p.m.*
[*Received May 1, 3.33 a.m.*]

1873. Your 1722, April 23 [*24*], 4 p.m. From recent conversations with French and British Colonial and Foreign Office officials it is clearly apparent that the chief interest of England and France in Liberia is the maintenance of order on their borders. The anarchical conditions in the hinterland are a source of constant expense and annoyance to them. The existing Government of Liberia is unable to cope with this situation. Hence before withdrawing from the international receivership and disinteresting themselves in the future of Liberia England and France desire the United States to assume in some form or other responsibility for effective administration.

In our opinion this is the fundamental question involved in the Liberian negotiations. France, while not welcoming American intervention in West Africa, is apparently reconciled to it and will probably withdraw from Liberia if the United States agrees to assume such responsibility. England has informally and also semi-officially proposed that the United States accept a mandate for Liberia from the League of Nations. The agreement [*argument*] advanced in favor of this proposal is that the functions of the United States under the reform program outlined in the memorandum of November 19, 1918 are essentially the same in character as those of the proposed mandatories for other backward peoples and that it would be inconsistent on the part of the United States to stand sponsor for the mandatory system when others are concerned and to ignore it in the work she proposes to do in Liberia. This was and probably still is the position of the British Government, but it was our opinion three weeks ago that this view might not be pressed if some other means were found for giving England and France the desired assurances.

Hence it was proposed to negotiate the treaty whose draft was [submitted to you]. Were the United States and Liberia the only parties concerned the situation would be comparatively simple and the arrangements outlined by you in your 1722, April 23rd [*24th*] would not encounter the difficulties that confront us. We note your opinion as to the probable attitude of the Senate toward the proposed treaty. On the other hand if we attempt again to secure British and France [*French*] withdrawal on the basis of the memorandum of November 19, 1918 they will probably again ask engagements on the part of the United States with them that will also

require the consent of the Senate. It was to obviate this latter difficulty that the proposed treaty with Liberia was drafted.

In the meanwhile the League of Nations Covenant has been adopted by the Peace Conference. It is quite probable that the plan proposed by us is no longer feasible here and that Mr. Balfour [21] will now advocate more strongly than before his proposal for a Liberian mandate.

If in the light of the foregoing you consider your proposed procedure practicable, kindly cable to us text of documents by which England and France are to agree to withdraw and we shall endeavor to secure their assent. Lansing.

AMERICAN MISSION

882.51/933 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *May 5, 1919, 4 p.m.*
[*Received May 5, 2.07 p.m.*]

1990. Commission's 1772, April 24, 7 p.m. Peretti informs us that in conformity with our conversation with him instructions were issued to Fardet, the new French Receiver in Liberia, to suspend his departure from France, but that it has just been ascertained that he left on April 8.

AMERICAN MISSION

882.51/935 : Telegram

The Chargé in Liberia (Bundy) to the Acting Secretary of State

MONROVIA, *May 12, 1919, 5 p.m.*
[*Received May 14, 12.55 a.m.*]

Referring to Legation's cable April 16th [22] and Department's reply of April 19th.[23] Liberian Government has delayed its answer to request of French Chargé d'Affaires here, which asked assent of Government to designation of new French Receiver of Customs, to await advice Department indicated it would send. French Receiver arrived Monrovia yesterday despite fact Liberian Government has withheld approval his designation.

President of Liberia informally stated to me that unless Department otherwise suggests, he desires not to commission French re-

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[21] Arthur James Balfour, British Secretary of State for Foreign Affairs, attached to the British delegation to the Peace Conference.
[22] See the Department's telegram of Apr. 19 to the Commission, p. 473.
[23] Not printed.

ceiver until he has received advice mentioned Department's April 19th. As President of Liberia desires to take such position in this matter as will secure Department's support, Legation requests instructions.

BUNDY

882.51/935 : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *May 20, 1919, 6 p.m.*

Your May 12, 5 p.m.

In view of loan negotiations and affairs affecting Liberia now under consideration in Paris, suggest Liberian Government defer commissioning French customs receiver until definite plans for the proposed rehabilitation of Liberia are concluded.

POLK

763.72119/4815 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *May 26, 1919, 8 p.m.*

2108. For Mr. Lansing.

Your 1873, April 30 6 p.m.

The Department notes your discussion of a possible mandate to the United States in respect of Liberia, and does not wish to be understood as advising on the desirability of such action if the President decides upon that course, but the Department understands that the situation in Liberia is such that any effective assistance to that country must be immediate, and will not admit of delay which would ensue if the arrangement is to take the form of a treaty or of a mandate, which could not be made effective for several months, on account of necessity for obtaining the approval of the Senate and possibly of enabling legislation by Congress. If a mandate to the United States for Liberia is contemplated, the Treasury is understood to prefer to await this arrangement. If, however, no mandate or treaty is in view, it is understood the Treasury is prepared to take steps to execute plans in accordance with Department's 1722, April 24.

Two courses seem open. One, an arrangement whereby the Banker's agreement with Liberia of 1912, remains substantially in force, but with the receivership entirely American. It is understood this was the purpose of the Department's memorandum of November 19, 1918. This plan would, of course, require the approval of Great Britain, France, and the interested Bankers; at least such a change in the contract of 1912 presumably would not be made without the consent of the interested parties. The understanding with Great

Britain and France could be arrived at by a formal acceptance by note of the arrangement outlined in the memorandum of November 19, 1918. It would not seem necessary for this understanding to have the approval of the Senate, in view of the powers of the Secretary of the Treasury. If additional assurances on the part of this Government are required by the British and French Governments, they doubtless will indicate the form and nature of the assurance to be given. The present arrangement with respect to Liberia was entered into through exchange of communications and it would seem that the understanding with Great Britain and France might now be reached in a similar manner without submission to the Senate. At the same time that the understanding with Great Britain and France was being arrived at, or subsequently, an arrangement between the Bankers and Liberia, making such changes as are necessary in the organization of the receivership, so as to give the United States entire control could be reached.

Two. If Great Britain and France refuse to agree to the arrangement just suggested, the advances made by the Treasury may be used to pay up the bonds issued under the Banker's contract of 1912, and thus to eliminate it entirely. It is the Department's understanding that under this contract Liberia may at any time make additional payments to the fiscal agents of the loan for the account of the sinking fund to be applied for the purchase of 5 per cent bonds. If the purchase of these bonds should be made out of the advances of the Treasury Department, the present receivership would apparently automatically come to an end. Such action should, of course, be carried out, if possible, with the friendly cooperation of the British and French Governments, and while it might appear to be a harsh measure, yet there are considerations which commend it. It would effectively eliminate the other Governments by merely carrying out the terms of the contract of 1912; it probably would result in less delay than any other method; it would give the United States an entirely free hand in Liberia, which it should have, since it practically guarantees the payments due under the contract of 1912, and since the financial interests of the United States in Liberia will be greater than those of any other country if the $5,000,000 loan is made. If the 5 per cent bonds could be paid up under this plan, then the United States could enter into an arrangement with Liberia without a formal treaty, under something like the procedure set forth in paragraph numbered 4 in Department's 1722, April 24, without the necessity of obtaining the consent of Great Britain and France.

It is suggested that this telegram be shown to Mr. Worley, who is familiar with the point of view of this Department, and of the Treasury Department, and that he be freely consulted.

POLK

102569—34——36

882.51/972

The Chargé in Liberia (Bundy) to the Acting Secretary of State

No. 340 MONROVIA, *July 1, 1919.*
[*Received August 21.*]

SIR: I have the honor to transmit herewith copies of a communication and its enclosure received by the Legation from the Acting Secretary of State of Liberia.[24] The enclosure is a copy of a Memorandum which the Secretary of the Treasury presented to the President of Liberia relative to the present financial situation of the Republic. From the Memorandum it will be observed among other things:

1. That the Secretary of the Treasury anticipates that the limit of the $100,000.00 credit the Government has with the Bank of British West Africa Limited will be reached about the first of August and thereafter the Republic will have insufficient funds at its disposal for necessary expenses as under the existing Agreement with the Bank no further advances will be made when limit of credit is reached.
2. That the Republic, to meet running expenses, will have to make another agreement with the Bank or resort to makeshifts, neither of which is desirable.
3. That the Republic would like to utilize enough of the $5,000,000.00 credit established in its favor in the United States Treasury to pay its indebtedness to the Bank of British West Africa and to pay all Government employees full salary until revenues return to normal.
4. That in addition to the use of the loan credit for the purposes outlined in paragraph 3 above the Republic desires also to use it to pay a portion of the internal debt to afford relief from privations and sacrifice caused by the war.

Undoubtedly the financial affairs of the Republic are again rapidly approaching a condition which will make it necessary for something to be done, and the Memorandum is respectfully forwarded for the consideration of the Department.

If it should seem advisable this matter may be taken up with the Department by cable before the arrival of this despatch.

I have [etc.] RICHARD C. BUNDY

882.51/968 : Telegram

The Chargé in Liberia (Bundy) to the Secretary of State

MONROVIA, *August 4, 1919, 1 p.m.*
[*Received 6.55 p.m.*]

Legation advised that French Charge d'Affaires here sent note July 30th to the Liberian Government stating that he had been

[24] Neither printed.

instructed by French Minister for Foreign Affairs as follows, translation:

"Do what is necessary in order [that Mr. Fardet,] French Receiver, may immediately begin his duties. He will only discontinue his duties at the same time his British colleague does, the day French holders of the Liberian loan shall have been reimbursed."

Liberian Government has deferred commissioning French Receiver in keeping with suggestion Department's cable May 20, 6 p.m. and now requests Legation to inquire whether there are any developments either resulting from Paris conference on Liberian affairs or otherwise known to Department making change of policy with reference to commissioning French Receiver advisable. If so Liberian Government asks Legation to indicate what it should do in altered circumstances. If not may Legation reiterate suggestion that Liberian Government continue to defer commissioning French Receiver?

British Receiver left Liberia in January last and has not returned.

BUNDY

882.51/968 : Telegram

The Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *August 7, 1919, 4 p.m.*

Your August 4, 1 p.m.

There are no developments known to the Department making a change of policy advisable at this time. You may repeat suggestion as outlined in Department's May 20, 6 pm.

LANSING

882.51/979

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *September 5, 1919.*

MR. SECRETARY OF STATE: My Government has received from the representative of the Republic at Monrovia a report to the effect that the Liberian Government refuses to let the new French Customs Receiver enter upon the duties of his office.

It wishes me to call Your Excellency's attention to the fact that while it consented to defer his assumption of office on account of the *pourparlers*, which have now come to an end, going on at Paris, there is no longer any reason why Mr. Fardet should not immediately assume his office.

I should therefore be thankful to Your Excellency if you would kindly instruct Your representative at Monrovia to that effect. As Your Excellency will admit, as long as the Liberian loan remains unpaid, the contract in force should be carried out and the interests of French holders protected by the presence of a supervisor of their own nationality. The supervision will cease with the payment of the loan.

Be pleased to accept [etc.] JUSSERAND

882.51/980a : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *September 8, 1919, 6 p.m.*

5936. You are instructed to state in substance to British Foreign Office as follows:

The Department understands that the Government of Great Britain is in agreement with the memorandum of the Department, dated November 19, 1918, delivered to the British representative at Washington, relative to financial assistance to Liberia, and to the establishment of an American Customs Receivership.

In this connection it should be emphasized that the Government of Liberia has always affirmed the principle of the open door policy of impartial treatment and equal opportunities for trade and concessions in Liberia. In this principle the Government of the United States is in whole-hearted agreement.

However, before putting the terms of the memorandum into effect the Department would be glad to know that its understanding of the attitude of the British Government is correct.

As the matter has been very greatly delayed the Department would be glad to receive the immediate reply of the British Government.

PHILLIPS

882.51/990

The Assistant Secretary of the Treasury (Rathbone) to the Assistant Secretary of State (Phillips)

WASHINGTON, *September 12, 1919.*

DEAR MR. PHILLIPS: You will recall that the Treasury last summer, prior to the armistice, established in favor of the Government of Liberia a credit of $5,000,000. From this credit advances have been made to Liberia to the aggregate amount of $18,000. The Act authorizing the Secretary of the Treasury to establish credits in favor of foreign governments requires that these credits be estab-

lished for the national security and defense, and to aid in the prosecution of the war. You will appreciate that the situation today is very different from that which existed at the time the credit was established for war purposes, and if the question were today presented to the Treasury, *de novo* it would not feel that it was authorized to establish such credit, nor would it feel itself able to make advances therefrom. Accordingly, it would seem necessary to limit advances to Liberia from the credit heretofore established in favor of the Government of that country to the amounts and for the purposes as to which the Government has already obligated itself.

I do not find from the record, nor is it my recollection, that any specific promises for advances were made to the Liberian Government directly by the Treasury. On October 17 and 25, 1918, this Department wrote the Department of State,[25] stating its attitude regarding advances to the Liberian Government from the credit before mentioned. If, on the faith of these letters, the State Department, on behalf of the Government of the United States, has entered into obligations to make to Liberia the advances set forth in those letters, the Treasury feels that such obligations so entered into must be carried out, and that it is authorized to make the advances as to which such obligations were incurred. Other or additional advances from this credit the Treasury does not feel in a position to make in view of the present situation respecting the war. I will be obliged if you will be good enough to advise this Department whether the Department of State has entered into, on behalf of the Government, any obligations to make to the Government of Liberia the advances mentioned in the letters of this Department of October 17 and 25, above referred to.

The Treasury feels that any amount of the credit established in favor of Liberia not required for the purpose of advances, in respect of which obligations have already been entered into by the United States, should be withdrawn.

I am [etc.] ALBERT RATHBONE

882.51/979 : Telegram

The Acting Secretary of State to the Ambassador in France (Wallace)

WASHINGTON, *September 12, 1919, 2 p.m.*

9101. Department's 9094, September 8, 6 p.m. Your 1368 Sept. 8. 8 P.M.[26] Following received from French Embassy, dated September 5:

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[25] Letter of Oct. 17 printed in *Foreign Relations*, 1918, p. 543; letter of Oct. 25 not printed.

[26] Neither printed.

[Here follows the note printed on page 481.]

French Ambassador is being informed that this Government does not consider negotiations as terminated and has in fact asked you to convey final views of this Government with a request for early reply. As these views which were communicated to French Ambassador in Department's memorandum of November 19, 1918, provide for an exclusive American Receivership, this Government is not in a position to accede to the wishes of French Government in this matter.

You may orally inform French Foreign Office in above sense adding that under the terms of the Bankers Contract of 1912 Liberia is in position to purchase outstanding 5 percent bonds with advances to be made by United States Treasury thereby automatically putting an end to French share in Receivership. See Department's 2432, June 26 to Ammission and reply of Ammission 3315, July 25, 8 p.m.[27]

PHILLIPS

882.51/991

The Ambassador in Great Britain (Davis) to the Secretary of State

No. 1314 LONDON, *September 15(?), 1919.*
[*Received September 29.*]

SIR: Adverting to my telegram No. 3043 of September 18, 1919,[28] relative to the present negotiations for affording financial assistance to Liberia, and for the establishment of an American customs receivership in that country, I have the honor to transmit herewith, copies of a Note no. /24.A. of September 13, 1919, which has been received from the Foreign Office.

I have [etc.]

(For the Ambassador)
J. BUTLER WRIGHT

[Enclosure]

The British Acting Secretary of State for Foreign Affairs (Curzon) to the American Ambassador (Davis)

No. /24.A. [LONDON,] *September 13, 1919.*

YOUR EXCELLENCY: With reference to the *Aide Memoire* of September 10th. which was left at this Department this morning, relative to the present negotiations for affording financial assistance to Liberia and for the establishment of an American customs receiver-

[27] Neither printed.

[28] Not printed.

ship in that country I have the honour to express to Your Excellency my regret that the final settlement of this question is still outstanding, a fact due to the necessity of transferring the negotiations from Paris to London and Washington.

His Majesty's Government had already, however, in the course of the past month expressed to the British Peace Delegation at Paris their views on the matter; these I now have the honour briefly to recapitulate.

Subject to certain stipulations upon specific points, His Majesty's Government are prepared to accept the proposals for the future administration of Liberia, embodied in the State Department's Memorandum of June 27th. 1919. A copy of the final draft of that memorandum is transmitted herewith for convenience of reference.

The specific points to which it was thought desirable to call attention, and as to which His Majesty's Government are fully confident that the Government of the United States will readily give their assurance that equality of treatment for all nationalities will be maintained, may be briefly summarized as follows:—

1. According to a system now in force in the Liberian customs administration, permits to exceed in certain respects the strict letter of the Customs regulations have hitherto been granted by the authorities equally to reputable traders of all nationalities when prompt handling of merchandise would be thereby facilitated. The necessity for such a system is occasioned, it is understood, largely, if not entirely, by the absence in Liberia of "bonded warehouses", properly so-called. His Majesty's Government, then, rely upon the continued observance under the new administration of strict impartiality in the issue of such permits to British traders.

2. His Majesty's Government are confident that the Customs dues on all imports of British goods, as well as on exports of Liberian products of all descriptions without exception, to any part of the British Empire, will be levied at no higher rates than, and in an exactly similar manner as, on imports of United States merchandise into Liberia, and exports of produce from Liberia to the United States of America.

3. It is assumed that the United States Government in the special position which they are in future to occupy in Liberia, will support any representations which His Majesty's Government might at any time be called upon to make to the Liberian Government, should the latter take any action to cancel, limit, or infringe the rights possessed by British subjects by virtue of the existing concessions in the country.

4. Two outstanding British claims against the Liberian Government have been traced. One for Two hundred and fifty pounds is preferred by certain Hindu traders of Sierra Leone; the other for Forty four pounds eighteen shillings and nine pence is made by Messrs Wayland and Son Limited of Liverpool against the Liberian Post Office. Both these debts have been admitted by the Liberian Government and their acknowledgment by the United States Gov-

ernment in their turn, should they not have been already discharged, is the last stipulation which His Majesty's Government desire to make.

In the course of discussions upon this question between the United States and British Peace Delegations at Paris, the latter intimated that this Government would be glad, if possible, to effect with the United States a simultaneous settlement of certain questions relating to the Treaty rights of United States citizens at Zanzibar, under the United States–Muscat Treaty of 1833.[30]

Negotiations to this end are now in progress at Washington, and I have no reason to doubt but that they will be brought to an early and satisfactory conclusion.[31]

I have [etc.]

(For the Secretary of State)
J. A. C. TILLEY

[Subenclosure]

MEMORANDUM RECEIVED FROM THE DEPARTMENT OF STATE
JUNE 27, 1919 [32]

The Republic of Liberia having requested the aid of the United States as its next friend in the necessary work of financial and general rehabilitation, the government of the United States has formulated the following plan with this end in view. The United States has established a credit of $5,000,000 for Liberia, which is to become available upon provision being made by Liberia for certain reforms and for effectively safeguarding the equality of economic opportunity to all states. These $5,000,000 are to be used for the following purposes.

1. All arrears of interest on the refunding loan of 1912 are to be paid and future payments are to be promptly met. Until the revenues of Liberia are sufficient to meet this charge, the necessary funds will be advanced by the United States from the loan credit of $5,000,000.

2. Payment is to be made of all unbonded legal claims, bills and arrears of the salaries against the Republic of Liberia or of [*or the*] receivership on the joint approval of the Secretary of the Treasury of Liberia and the financial advisor.

[30] Miller, *Treaties*, vol. 3, pp. 789 ff.

[31] Negotiations were begun by the British Chargé (Lindsay) in his note No. 560, July 29, 1919 (File No. 711.48V2/5), and continued throughout the year 1919 and into 1920, but came to no conclusion.

[32] Presumably the memorandum transmitted by the Department in telegram No. 2432, June 26, 1919, 2 p.m., to the Commission to Negotiate Peace (File No. 763.72119/5372); telegram not printed.

3. An American receivership of the customs and internal revenues is to be established and the revenues of Liberia are to be administered by the General Receiver and financial advisor designated by the President of the United States and appointed by the Government of Liberia with the aid of American assistants designated and appointed in like manner.

4. American citizens designated and appointed in like manner are to act as commissioners to establish and maintain a just and equitable administration in the hinterland and to preserve order therein.

5. An effective military police or constabulary is to be maintained by Liberia under American military officers designated and appointed in like manner. In view of the foregoing loan to be made by the United States to Liberia and the reform program outlined herein, Great Britain and France agree to withdraw from the customs receivership administration in Liberia, [and from] participation in the financial and other aid to be accorded to Liberia by the Government of the United States. Great Britain and France further agree to withdraw all officials nominated by them for appointment by Liberian Government as soon as the arrangements for the proposed loan to Liberia by the United States have been completed. These arrangements are to include whatever agreements, if any, may be legally necessary with the bankers and bondholders of the loan of 1912, and subject to the agreement of Liberia.

882.51/990

The Assistant Secretary of State (Phillips) to the Assistant Secretary of the Treasury (Rathbone)

WASHINGTON, *September 20, 1919.*

MY DEAR MR. RATHBONE: I am in receipt of your letter of the 12th instant regarding the credit of $5,000,000 established by the Treasury Department in favor of the Government of Liberia and have taken due note of the opinion expressed by you that, as the act authorizing the Secretary of the Treasury to establish credits in favor of foreign governments requires that these credits be established for the national security and defense and to aid in the prosecution of the war, it would seem necessary to limit the advances to Liberia from the credit heretofore established in favor of the Government of that country to the amounts and for the purposes as to which the Government of the United States has already obligated itself.

In reply I beg to inform you that relying on the assurances contained in the letters of October 17 and 25, 1918, from the Treasury Department,[33] the Secretary of State, on behalf of the Government of the United States, has, in fact, entered into obligations to make to Liberia the advances referred to in those letters.

I am [etc.] WILLIAM PHILLIPS

882.51/990a : Telegram

The Acting Secretary of State to the Ambassador in France (Wallace)

WASHINGTON, *September 26, 1919, 5 p.m.*

9146. Department's 9131.[34] You may advise the French Foreign Office that the financial situation in Liberia has become so urgent that this Government is confronted with the necessity of proceeding with the plan of reconstruction without further delay. This Government would greatly prefer to receive the preliminary assent of the French Government but cannot delay matters longer.

Confidential for your information only. In the absence of a reply from the French Government, this Government will proceed with the program within a few days.

PHILLIPS

882.51/994a

The Secretary of State to the Secretary of the Treasury (Glass)

WASHINGTON, *October 8, 1919.*

MY DEAR MR. SECRETARY: I take the liberty of calling to your particular attention the negotiations now pending regarding financial assistance to Liberia. As this is a matter to which we attach very considerable importance and as the negotiations appear to grow somewhat protracted, I should greatly appreciate if they could be carried through with the greatest possible speed.

Very sincerely yours,

ROBERT LANSING

882.51/995

The Secretary of the Treasury (Glass) to the Secretary of State

WASHINGTON, *October 9, 1919.*

MY DEAR MR. SECRETARY: Your letter of the 8th instant has been received concerning the negotiations now pending regarding financial

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[33] Letter of Oct. 17 printed in *Foreign Relations*, 1918, p. 543; letter of Oct. 25 not printed.

[34] Not printed.

assistance to Liberia. The Treasury had understood that it was the desire of your Department that the final form of such agreement should depend upon the result of negotiations with the Governments of Great Britain and France concerning their participation in the financial assistance of Liberia, and we are awaiting information on that subject. These negotiations have been conducted entirely by your Department and the Treasury has not been advised that they have been brought to a point at which your Department considers it desirable for the Treasury to conclude an arrangement with the Government of Liberia. In order to hasten a conclusion of this matter, however, the Treasury already has substantially completed a form of agreement to be entered into with the Government of Liberia concerning such assistance.

Sincerely yours,

CARTER GLASS

882.51/1007a : Telegram

The Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *November 4, 1919, 1 p.m.*

Please enquire of Liberian Government and advise promptly total of unbonded arrears salary Government proper, customs service and frontier force separately, also outstanding bills and unbonded legal claims against Government Receivership and frontier force separately, not including Excelsior, Lee Bank or international postal indebtedness. What is total due Bank of British West Africa? All figures to be as of November 1.

Were interest and sinking fund met on domestic bonds July 1, 1919.

LANSING

882.51/1010 : Telegram

The Minister in Liberia (Johnson) to the Secretary of State

MONROVIA, *November 12, 1919, 8 a.m.*
[*Received 4 p.m.*]

Replying to inquiries of Departments November 4, 1 p.m. Liberian Government furnishes following statement.

1. Arrears salary Government proper $193233.83 [*$19033.83*].
2. Arrears salary customs service $22237.77.
3. Arrears pay frontiers force $94280.69.
4. Total outstanding bills and legal claims are:

Item A, Government proper $23511.73;
Item B, Customs receivership $9762.64;
Item C, Frontier force $2025.54.

5. Governments indebtedness to Bank [of] British West Africa $95602.85.

All above figures represent unbonded debts and are as of Nov. 1st. Interest only on Republic's 3 per cent domestic bonds was paid July 1st 1919, Government was unable to make provision for sinking fund.

JOHNSON

882.51/1016b : Telegram

The Secretary of State to the Minister in Liberia (Johnson)

WASHINGTON *November 19, 1919, 5 p.m.*

It is understood that receivership depositary agreement with Bank of British West Africa expired November 11 but continues in force subject to termination by three months' notice on either side.

If Bank serves notice notify Department.

LANSING

882.51/995

The Secretary of State to the Secretary of the Treasury (Glass)

WASHINGTON, *November 20, 1919.*

SIR: I have the honor to acknowledge the receipt of your letter of October 9 in which you state that the final form of the Financial Agreement for Liberia should depend upon the result of negotiations with the governments of Great Britain and France and that you are awaiting information on that subject.

On October 25, 1918, I addressed you [36] in acknowledging the receipt of your letter of October 17,[37] making certain inquiries concerning the extent to which the credit of $5,000,000, recently opened to the Republic of Liberia, could be made available to that government. I advised you that Mr. Worley, American Receiver General of Customs of Liberia, was expected shortly in Washington and stated that before expressing the views of the Department of State on the questions which you presented, I desired to discuss with Mr. Worley the whole scheme of the financial problems of the Republic of Liberia. In conclusion, I advised you that as soon as Mr. Worley's views had been obtained, I would communicate with you again.

Upon the arrival of Mr. Worley and after consultation with him, I suggested to Mr. Worley that he confer with your Department on

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[36] Letter not printed.
[37] *Foreign Relations*, 1918, p. 543.

the matter, and I am advised a meeting was held in the latter part of October at your Department at which Mr. Rathbone, Mr. Strauss, and Mr. Hand were present and Mr. Worley set forth the situation and presented the views of this Department. At this meeting it was suggested by the officials of the Department of the Treasury that an attempt be made to induce the British and French to withdraw from the Liberian Customs Receivership Administration without the refunding by the Treasury of the United States of the loan of 1912, but that if Great Britain and France could not be induced to withdraw by negotiations so that their rights could be disposed of otherwise, the Treasury of the United States would consent to make an advance sufficient to pay off the outstanding bonds of the loan of 1912. This suggestion of the Department of the Treasury, that the Department of State endeavor to secure the withdrawal of Great Britain and France, was confirmed by the letter of your department of November 11, 1918.[38] In compliance therewith, I thereupon approached the British and French Governments through diplomatic channels with an endeavor to obtain their withdrawal from their participation in the Receivership and to consent to the establishment of an all-American Receivership. Diplomatic correspondence and negotiations on this subject have now been proceeding with Great Britain and France for more than a year. Final replies from the British and French Governments have been received. Copies of these replies have been sent to you informally upon their receipt and are enclosed herewith for your information.[39] You will note from these replies that Great Britain consents to withdraw from the Receivership but makes two or three conditions or reservations which are unacceptable. France, in substance, refuses to withdraw and makes claim to certain conditions which cannot be granted.

About September 19, 1919, the Department of the Treasury informally suggested that its representative, Mr. Rathbone, who would shortly arrive in France to engage in financial negotiations with the French and other governments might, be able to secure the consent of France to withdraw from the Receivership. It is now understood from a telegram received from Mr. Rathbone through this Department for your Department[40] that, in his view, it would be very difficult and unwise to impose as a condition to the conversion of the French demand obligations the assent of the French to withdrawal from the Liberian Receivership. In view of the failure of the diplomatic correspondence and negotiations and the unfavor-

[38] *Ibid.*, p. 544.
[39] French reply not printed; for British reply, see p. 484.
[40] Telegram not printed.

able opinion of Mr. Rathbone, the only way which appears open to secure the withdrawal of the British and French Governments and to bring the International Receivership to a close, is by refunding the remainder of the loan of 1912. I have, therefore, the honor to suggest that the necessary funds be advanced by the Treasury Department in order to refund the outstanding bonds of the loan of 1912 and thereby bring to an end the International Receivership at as early a date as practicable, in accordance with the committments which have been made in behalf of the Government of the United States.

I have [etc.] ROBERT LANSING

882.51/1016a

The Secretary of State to the Secretary of the Treasury (Glass)

WASHINGTON, *November 20, 1919.*

MY DEAR MR. SECRETARY: I venture to bring again to your personal and particular attention the question of financial assistance and rehabilitation of Liberia in which this Department takes such a deep interest. Mr. Phillips has apprised me of the results of the conference held yesterday in his office at which Mr. Strauss, of the Federal Reserve Board, and Mr. Kelley, of your Department, were present. I am given to understand, very much to my surprise and regret, that it is the view of your Department that no considerable portion of the loan credit of $5,000,000 established in behalf of Liberia should be advanced for the economic rehabilitation of the Republic. I believe that the sum of $400,000 was mentioned by Mr. Strauss and Mr. Kelley as the utmost which could be advanced for this purpose, which, taken with the amounts necessary for the financial arrangements, would not exceed $2,000,000, out of the total credit of $5,000,000. If this is the case, I am very deeply disappointed and concerned. I had been clearly under the impression from the beginning that the establishment of a loan credit of $5,000,000 meant that a sum of $5,000,000 was actually available. Acting on this assumption I unhesitatingly made announcement to the French, British, and Liberian Governments of the establishment of such a loan credit to Liberia, and described the program of financial and economic rehabilitation of Liberia which it was proposed would be carried out with the sum thus made available.

You will recall, however, that no immediate steps were taken to put this program into effect, as, pursuant to your Department's request, I at once entered into diplomatic correspondence with the

British and French Governments in an endeavor to secure their withdrawal from the International Receivership. These negotiations, extending over a period of a year, have only just terminated. During their course I repeatedly based my representations for the withdrawal of the British and French Receivers on the condition of an American program of financial and economic rehabilitation of Liberia. I at the same time made unreserved assurances to the Liberian Government respecting the carrying out of the economic program and even took preliminary steps looking to that end. As a result, this Government stands before the world completely committed, and committed for over a year past, to a program of economic as well as financial rehabilitation of Liberia. Not to carry through this program would be simply disastrous for our position in Liberia and would cast a blemish on our good name in international relations. I cannot too strongly emphasize the embarrassment which would result to this Government from such a course, an embarrassment which would not be limited to our intercourse with Liberia but would be reflected in our larger relations with France and Great Britain.

I have given this matter the most serious consideration and I very strongly feel that to avoid being gravely compromised this Government is in honor bound to live up to the agreement made in this instance and to carry through the program of economic rehabilitation. I hope very earnestly that you will accept my point of view.

With kind personal regards, I beg [etc.]

ROBERT LANSING

882.51/1017

The Assistant Secretary of the Treasury (Davis) to the Assistant Secretary of State (Phillips)

WASHINGTON, *November 21, 1919.*

DEAR MR. PHILLIPS: I am sorry to say that it was impossible for me to take up with the Secretary this afternoon the questions raised in the letter from the Secretary of State to the Secretary of the Treasury which you handed me today. I shall, however, take this up at the beginning of next week, but in the meantime would be pleased to have you inform me just what commitments the State Department made in respect to Liberia which would concern England and France, other than the payment of the obligations held by their nationals.

Very cordially yours,

NORMAN H. DAVIS

882.51/1017

The Secretary of State to the Assistant Secretary of the Treasury (Davis)

WASHINGTON, *November 28, 1919.*

DEAR MR. DAVIS: I beg to refer to your letter of the 21st instant in which you request to be informed as to just what commitments the Department of State has made in respect to Liberia which would concern England and France, other than the payment of the obligations held by their nationals.

The principal commitments of this character were contained in the memorandum of the Department of State of November 19, 1918, a copy of which is enclosed herewith,[41] and were reiterated and reinforced during the protracted negotiations at Paris between the British, French, and American representatives regarding the financial assistance to Liberia. These commitments may be grouped under the following headings:

1. Improved transportation facilities by land and sea, as well as improved means for the transmission of mail and messages.
2. Harbor improvements, especially at Monrovia.
3. Assistance in organizing and maintaining a modern public school system.
4. Scientific system of intensive agriculture.
5. System of sanitation and potable water.
6. Establishment and maintenance of a just and equitable administration of the hinterland.
7. Maintenance of an effective military force or constabulary under American officers.
8. The raising of the general level of the native population, and particularly of the uncivilized native tribes of the interior.

For many years the British and French authorities, because of the contiguity to Liberia of their colonies of Sierra Leone, Guinea, and the Ivory Coast, have been extremely desirous to improve the general moral, educational, economic, and commercial conditions in Liberia and have stood ready to advance, and have even pressingly insisted that Liberia accept financial assistance to this end. It would, however, be very disadvantageous and dangerous to Liberia to accept such proffered assistance, as it would place her in a position of practical servitude to those countries. In order, therefore, to avoid the danger of the virtual annexation of Liberia by peaceful penetration through economic measures on the part of Great Britain and France which would nullify any benefits arising to Liberia out of the American program of financial development, the Department of State felt that it was necessary to provide Liberia with

[41] For substance, see telegram of Dec. 7, 1918, 4 p.m., to the Chargé in Great Britain, *Foreign Relations*, 1918, p. 545.

American funds for purposes of economic development. Accordingly all negotiations with Great Britain and France looking to their withdrawal from the International Receivership of 1912, or the purchase of the outstanding bonds of 1912, have always been predicated by the Department of State upon the understanding that the loan credit of $5,000,000 would be available for both the financial and economic rehabilitation and development of Liberia. The Department of State, accordingly, both in its memorandum of November 19, 1918, and in the subsequent lengthy negotiations at Paris, fully and unequivocally committed the Government of the United States to the execution of the program of economic development in Liberia along all the lines enumerated above, out of the funds to be made available from the loan credit of $5,000,000.

I may add that if the British and French Governments should feel that they have been in any measure misled by the positive statements of the Department of State in regard to the financial assistance for economic development which has been promised to Liberia, they can doubtless bring powerful pressure upon Liberia which will very much embarrass both Liberia and the United States and affect the maintenance of a stable and responsible government in that Republic. The consequences might easily become disastrous for Liberia and prove a serious reflection upon our international commitments. I therefore venture to express my anxiety regarding the matter and the hope that a satisfactory solution of the question can promptly be reached.

Very cordially yours,

ROBERT LANSING

882.51/1026

The Assistant Secretary of the Treasury (Davis) to the Secretary of State

WASHINGTON, *December 8, 1919.*

MY DEAR MR. SECRETARY: Your two letters of November 20 to the Secretary and your letter of November 28 to me have been received concerning the amount of advances proposed to be made to the Government of Liberia against the credit of $5,000,000 which the Secretary of the Treasury established in favor of that Government on September 9, 1918.[42] This credit was established after receipt and in consequence of your letter of September 9, 1918[43] and upon the understandings therein set forth.

That the mere establishment of a credit, subject to further deter-

[42] *Ibid.*, p. 537.

[43] *Ibid.*, p. 536.

mination as to the amount of advances to be made thereunder, does not bind the Treasury Department to make advances to the full amount of the credit has been recognized by all the Governments for which the Treasury has established credits, and by your Department in the specific case of Liberia as evidenced by your letter above cited of September 9, 1918, the second paragraph of which I venture to quote as follows:

"This Department understands that the mere establishment of a credit of $5,000,000 does not bind the Treasury Department to make any advances until a satisfactory form of obligation has been agreed upon nor does it fix the amount of advances from that credit which the Treasury Department is prepared to approve. With this understanding, this Department considers it desirable as a matter of policy immediately to announce that a credit of $5,000,000 in favor of Liberia has been established."

On October 17, 1918, Secretary McAdoo wrote you[44] that unless further study should modify his views it was the plan of this Department to make advances to Liberia for the purpose of paying arrears of interest on the 5% Bonds of 1912, and to discharge the debt due to the Bank of British West Africa. He added that other payments would undoubtedly be required to liquidate back salaries of officials, internal debts and to provide for needed road improvements, etc. on some moderate basis. On October 25, Mr. Rathbone wrote Mr. Phillips[45] that in his judgment subject to correction on receipt of further information advances to Liberia should be confined to provision for the payment of the arrears on existing obligations of the Republic, provision for a limited number of years of sums necessary to pay administrative expenses and interest on the Bonds of 1912 should current revenues prove insufficient, and a moderate amount for necessary improvement in transportation facilities, etc.

On September 12 last, Mr. Rathbone wrote Mr. Phillips[46] with regard to advances to the Government of Liberia that the situation now is very different from that which existed at the time the credit was established for war purposes, and that if the question were now presented to the Treasury *de novo* it would not feel that it was authorized to establish such a credit, nor would it feel itself able to make advances therefrom and that accordingly it would seem necessary to limit advances to Liberia from the credit heretofore established in favor of the government of that country to the amounts and for the purposes as to which the Department of State had already obligated the government. Mr. Rathbone added that he did not find from the record and that it was not his recollection that any

[44] See *Foreign Relations*, 1918, p. 543. [45] Letter not printed. [46] *Ante*, p. 482.

specific promises for advances had been made to the Liberian Government directly by the Treasury. He stated that if on the faith of the letters of this Department of October 17 and 25, 1918 the State Department on behalf of the Government of the United States had entered into obligations to make to Liberia the advances set forth in those letters the Treasury felt that such obligations so entered into must be carried out, and that it is authorized to make the advances as to which such obligations were incurred, but that other or additional advances from this credit the Treasury did not feel in a position to make, in view of the present situation respecting the war. On September 20, Mr. Phillips replied [47] that relying on the assurances contained in said letters the Secretary of State, on behalf of the Government of the United States, had in fact entered into obligations to make to Liberia the advances referred to in those letters. Mr. Phillips did not, however, mention any obligations incurred by the Secretary of State to make to Liberia advances beyond those referred to in such letters.

From your letter of November 28 [*20*] [48] I understand that the replies of Great Britain and France concerning withdrawal were both so unacceptable as to lead you to the conclusion that the Treasury must find money in order to make it possible for Liberia to take up the 1912 Bonds and terminate the Receivership without such withdrawal. It would seem, therefore, that any commitments to Great Britain and France to make advances to Liberia for the purposes mentioned in the memorandum of November 19, 1918 have been cancelled. This memorandum is apparently identical with the memorandum which was handed to the British and French Embassies on November 5, 1918, and as to which Mr. Rathbone in his letter of March 10, 1919 advised the Department of State that it went considerably beyond the views of this Department.

If, as a result of the proceedings mentioned in your letters, the Department of State has committed this Government to make to Liberia advances beyond the limits fixed in the Treasury's letters of the 17th and 25th of October, 1918, and of the 12th of September, 1919, above mentioned, Congress on being apprised of the situation will doubtless grant such authority as may be necessary to comply with such commitments. I understand, however, that your Department is most anxious to proceed at once on the Liberian program and the Treasury desires to co-operate with the Department of State to the full extent of its authority. As a matter of fact the Treasury doubts if it would be possible with advantage to Liberia to expend within the next two years more than the amounts contemplated in our above mentioned letters.

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[47] *Ante*, p. 487. [48] *Ante*, p. 490.

I understand that at present development in Liberia is very little advanced, that the number of the civilized population on the coast is small and that the vast preponderance of the population is uncivilized natives in the interior. I understand also that for some time the imports into Liberia have exceeded its exports. In these circumstances, it is of course of the utmost importance from the economic and financial point of view that any program of development and rehabilitation shall be sufficiently gradual. True development must be looked for from the steady increase of production and revenue that are to be expected from good fiscal management under the receivership which the Treasury understands that your Department will establish and from relief from immediately pressing financial burdens. If development is attempted at a rate more rapid than the population can learn to avail itself of in increasing its production and exports, the result must inevitably be waste, inflation and sudden increase of the adverse balance of trade. The utmost care must be taken to avoid these evils with the attendant danger of complete financial breakdown which might leave the country in a condition even worse than it would have been in had the expenditures not been made. This danger is the more acute and the more to be guarded against because of the proposal at once to pay off the floating domestic indebtedness. This payment in itself increasing as it will the amount of currency and the purchasing power of the people without a corresponding increase in production is a serious matter. If there should be added expenditures for improvements in so backward a country of more than a very moderate amount of borrowed money, it is easy to foresee an inflation which may be followed by consequences most disastrous from an economic and financial point of view. The Treasury assumes that your Department had in mind considerations of this nature in making the commitments mentioned in your letters and that the contemplated program of expenditures for improvements is limited accordingly. In my opinion, the sums which can with safety and in the best interests of Liberia be expended for such purposes will prove to be not in excess of what was indicated in the Treasury's letters of October 17 and 25, 1918 and will bring the total Treasury advances to Liberia to an amount considerably less than the $5,000,000 credit established. In view of the knowledge of all parties that the proposed advances must be made under authority granted by Congress to make loans for the national security and defense and the prosecution of the war, the Treasury believes the expenditures contemplated by your Department for improvements must have been intended to be made only during the reconstruction period of, say, approximately a year or two and are by no means

intended as an indefinite program without limit of time. The Treasury feels the more assured in this belief because it does not understand that negotiations begun by your Department with Great Britain and France for the purpose of making unnecessary the spending of about $1,500,000 in taking up the principal of the 1912 loan can have had the result not only that that expenditure must be made, but that in addition this Government has also become committed to make further expenditures up to the whole $5,000,000.

On the assumption, therefore, that the program which the Department of State had in mind and in respect of which it has committed this Government is limited as above mentioned, both as to time and as to amount, the Treasury is prepared upon the request of the Liberian Government to make available so much of said credit as may be necessary for the purposes hereinafter mentioned, upon confirmation by the Liberian Government of the understandings herein set forth against the duly executed demand obligations of the Government of the Republic of Liberia in a corresponding amount. The amounts, purposes and terms of the advances which the Treasury is prepared to make within the amount of said credit and upon the understandings herein set forth are as follows:

1. $1,600,000 or such less amount as may be necessary for the purpose of enabling the Liberian Government to purchase or redeem all of its bonds now issued and outstanding, representing the 5% Sinking Fund Gold Loan, due July 1, 1952, under the Agreement for Refunding Loan dated March 7, 1912, between the Republic of Liberia, of the first part, and J. P. Morgan & Co., Kuhn, Loeb & Co., The National City Bank of New York and First National Bank of New York, acting for themselves and for Robert Fleming & Co., Banque de Paris et des Pays Bas, M. M. Warburg & Co., and Hope & Co., and for others, of the second part, including such payments of interest, costs of notices and other payments or deposits, including payments which may be due from the Republic under the Fiscal Agency Agreement dated March 7, 1912, between the Republic of Liberia, of the first part, and The National City Bank of New York, of the second part, as shall be necessary to terminate all obligations of the Republic under all of said bonds or under the Agreement for Refunding Loan or the Fiscal Agency Agreement above mentioned, and as shall entitle the Republic in accordance with the terms of said Agreements to the cancellation and destruction of all of said bonds held by the Fiscal Agents in the sinking fund mentioned in said agreements. Advances for this purpose will be made at such times and in such amounts as shall hereafter be agreed between the Liberian Government and the Secretary of the Treasury.

2. $15,000 or such less amount as shall be sufficient to enable the Liberian Government to pay forthwith the interest due and unpaid on the internal funded debt of the Republic, and the instalments due and unpaid of the sinking fund thereof.

3. $315,000 or such less amount as shall be sufficient to enable the Liberian Government to pay its internal floating debt.

4. $27,000 or such less amount as shall be sufficient to pay the salary and expenses as fixed or approved by the President or the Secretary of State of the United States, of the General Receiver [to be] designated by the President of the United States and appointed by the President of Liberia.

5. The amounts as certified as of March 31 and September 30 of each of the five fiscal years of the Republic ending on or before September 30, 1924 by the Financial Advisor [to be] designated by the President or Secretary of State of the United States and appointed by the President of Liberia by which the revenues and receipts of the Government of Liberia whether collected by the Government or by the Receivership mentioned below for the half fiscal year ending on each of said dates arising from all sources (other than advances from United States Treasury) together with any available surplus funds held by or for the Government of Liberia shall be less than the aggregate amount for such half fiscal year of (*a*) the costs and expenses of the collection, administration and application by the Government of Liberia or by such Receivership as shall have been established with the approval of your Department of the revenues and receipts collected by said Government or such Receivership, (*b*) the costs and expenses of such Receivership Administration, (*c*) the current administrative expenses of the Government of Liberia, including the interest and sinking fund of the internal funded debt above mentioned, in accordance with the Budget and Appropriation Acts of the Government of Liberia, approved as provided by any plan of administration that you may approve, and (*d*) the interest due, as hereinafter provided, from the Government of Liberia to the Government of the United States on Liberia's obligations heretofore delivered to the United States or hereafter delivered to the United States in accordance with this letter. For the purpose of ascertaining the amount of any advance to be made by the United States Treasury, under the provisions of this paragraph, the total expenditures by the Government of Liberia for any fiscal year under clauses *a*, *b*, and *c* above shall not in any event be reckoned at a sum greater than $400,000.

6. Such amounts within the authority of the Treasury to advance the same as may be necessary to enable the Government of Liberia with the approval of the Financial Advisor above mentioned to make necessary improvements in transportation facilities, etc. within the program, limited as hereinbefore mentioned, to which the Department of State has committed the Government of the United States.

Advances under clauses 2, 3, 4, 5 and 6 above will be made at such times and in such amounts as shall be agreed between the Government of Liberia and the Secretary of the Treasury of the United States. All requests from the Government of Liberia for advances hereunder, must have the approval of the Financial Advisor above mentioned. Requests for advances under clauses 2 and 3 above shall be contained in certificates made by the Secretary of the Treasury of

Liberia, bearing the counter-signature of said Financial Advisor, and setting out the amount of the advance requested, the purpose for which requested, the names of the creditors to be paid, the amounts of principal and interest proposed to be paid them, that such indebtedness is a valid debt of the Government of Liberia, that said Financial Advisor has made inquiry into the circumstances of the creation of such debt and is of the opinion that the amount proposed to be paid by the Government of Liberia in discharge thereof is the lowest amount for which said Government can justly settle the same. Requests for advances under clause 6 above, must be contained in certificates of the Secretary of the Treasury of Liberia, countersigned by said Financial Advisor stating the amount of the advances requested, the goods or services for which the advances are required, and that the same have been delivered or rendered or will have been delivered or rendered by the dates respectively on which advances are so requested to be made, or that payment in respect thereof in the amount requested will be due on such date under a contract for the same made with the approval of said Financial Advisor. Any certificate containing a request for an advance under clause 6 above, shall be accompanied by the certificate of the Secretary of State of the United States, that the purpose for which such advance is required is one for which the Department of State of the United States within the limitations expressed in this letter had prior to the date hereof committed this Government to make an advance to Liberia.

Advances hereunder will be made only against delivery of obligations in a form approved by the Secretary of the Treasury of the United States in a corresponding amount and bearing interest at the rate of 5% per annum. Such obligations shall be duly executed by a person designated to the Secretary of the Treasury by your Department as being authorized to execute such obligations in the name and on behalf of the Government of the Republic of Liberia and as to obligations so signed by whom your Department shall have advised the Treasury that in the opinion of your Department they are internationally valid and binding, and have the sanction of your Department. For the convenience of the Government of Liberia the Treasury is prepared to receive forthwith such an obligation duly executed in the name of the Republic of Liberia in the amount of $2,500,000, on the understanding that interest upon said obligation will not be charged until advances are made to Liberia in accordance with the requests and certificates above mentioned, so that interest shall be collected on such obligation only on amounts which the Secretary of the Treasury shall advance, and only from the respective dates when such advances are made. On October 1,

1924 if the full face amount of said obligation shall not have been advanced to the Republic, the obligation will be endorsed with a notation stating the total amount of the advances so made, and that not more than said sum is payable on said obligation, or said obligation will be exchanged for another obligation of the Republic, duly executed in its name and of like tenor, except as to the amount which shall be the amount of the advances made to the Republic less such sums as shall have been repaid. If the principal and interest of all the advances made to the Republic against any obligation of the Republic held by the United States Treasury, shall have been repaid on or before October 1, 1924, said obligation will on said day, or as soon thereafter as may be, be cancelled and surrendered to the Republic or its duly accredited agent. At any time the Government of Liberia shall at the request of the Secretary of the Treasury exchange for any obligations of said Government held by the United States Treasury, an equal aggregate face amount of other obligations duly executed in the name of the Republic in such form as shall be agreed upon by the Republic and the Secretary of the Treasury of the United States.

All advances made hereunder will be paid in the United States to such party as shall be designated to the Secretary of the Treasury of the United States, by the Secretary of State of the United States as being authorized on behalf of the Government of Liberia and in its name to receive such advances and to dispose of the same. It is understood that the Government of Liberia as nearly as may be on the first day of each month, shall pay to the Treasurer of the United States an amount equal to the interest accrued and unpaid up to the end of the preceding month on advances made to it by the Secretary of the Treasury of the United States, and at the same time shall also pay to the Treasurer of the United States on account of the principal of such advances, one half of the remainder of all revenues and receipts of the Liberian Government whether collected by such Government or said receivership from whatever source arising after the payment as they arise, of all costs and expenses of collection and administration of the revenues and receipts of the Government of Liberia, including the salaries of said Financial Advisor and General Receiver, and his American Assistants, the salaries of the employees of the revenue service, either customs or internal, and costs and expenses of maintaining a frontier force, and any other expenditures whatsoever connected with the administration of any Receivership of Revenue approved by the Government of the United States, and after the setting aside of such sums as may in the judgment of said Financial Advisor be necessary to enable the Liberian Government to pay as they become

due the current administrative expenses of the Government including the service of the internal funded debt, but not in any year more than the sum provided for current administrative expenses of the Government in the Budget and appropriation acts of the Government of Liberia prepared and adopted in a manner satisfactory to the Department of State of the United States and the payment of interest on United States advances as above mentioned.

Referring to Mr. Rathbone's letter of April 23 last,[49] in which he stated that in the financial agreement made by the Treasury with the Government of Liberia, the Treasury might include certain provisions throwing about the collection of revenue and the administration of the financial resources of Liberia, certain safeguards, I now understand that in addition to any arrangement which your Department would approve the Treasury making with Liberia, your Department contemplates making further arrangements so that in any case the agreement made by the Treasury would not constitute the whole arrangement between this Government and Liberia concerning the finance of Liberia. Under these circumstances the Treasury believes that it will find sufficient protection for its advances in such arrangements as it understands that your Department contemplates making. The Treasury, therefore, does not now expect to make any further agreement with Liberia than is mentioned above.

I am [etc.] NORMAN H. DAVIS

882.51/1028

The British Appointed Ambassador (Grey) to the Secretary of State

No. 884 WASHINGTON, *December 13, 1919.*

SIR: In a note addressed by Lord Curzon to the United States Ambassador in London on September 13th,[50] relative to the present negotiations for affording financial assistance to Liberia, a copy of which you have no doubt received from Mr. Davis, it was stated in paragraph four of the specific points to which it was thought desirable to call attention, that two outstanding British claims against the Liberian Government had been traced, one of which, for £44.18.9 was made by Messrs. Wayland and Son, Limited, of Liverpool against the Liberian Post Office.

I have now received a communication from my Government stating that the Liberian Government have informed the British Con-

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[49] Not printed.
[50] *Ante*, p. 484.

sulate General at Monrovia that this obligation has now been discharged.

I have [etc.]

(For H. M. Ambassador)
R. C. LINDSAY

CONCESSIONS

French Projects for Utilizing the Former German Cable between Monrovia and Pernambuco—Application of a French Company for a Railway Concession—Attitude of the United States toward these Projects

882.73/9

The Chargé in Liberia (Bundy) to the Secretary of State

No. 269 MONROVIA, *November 18, 1918.*
[*Received December 23.*]

SIR: I have the honor to transmit herewith for the information of the Department copy of a communication addressed to the Liberian Government by F. Bonnard,[52] Superintendent of the Monrovia Station of the Compagnie des Cables Sud-Americains requesting permission to connect up and use the German cable which was formerly operated by the German South American Cable Co., between Monrovia and Pernambuco, Brazil.

This copy was furnished me by President Howard himself and in handing it to me he stated that the Liberian Government was not disposed to consider favorably the request of Mr. Bonnard's Company, and he gave the following reasons:

1. That in the scheme of development which is contemplated by the Liberian Government under the $5,000,000.00 loan from the United States,[53] the subject of telegraphic communication is an important item, and until the details are worked out the Republic does not intend to relinquish control of the German station.

2. That the German Cable station is considered by the Government of Liberia as valuable security for the damage done to Liberian life and property by the attack of the German submarine in April last, and will be held until this question is adjusted.

3. That the French Compagnie des Cables Sud Americains already has a cable station in Monrovia with facilities sufficient to take care of all the business likely to come to it at this port for a number of years, and, therefore, it would not be in the interest of the Republic to turn over to Mr. Bonnard's company the German station thereby giving to the French Company a monopoly of all cable lines leading out of Monrovia.

[52] Not printed.
[53] See the section on financial affairs, pp. 464 ff.

4. That the Government of Liberia is desirous of having the United States or its citizens acquire control of the German station, if it should prove not to be feasible for Liberia herself to retain possession of it, and until it is known what can be done in this direction, the proposal of Mr. Bonnard, or any thing like it cannot receive the sanction of the Liberian Government.

The President further stated to me that the French Chargé d'Affaires here had made verbal official representations in behalf of the Compagnie des Cables Sud Americains and had urged the Liberian Government to permit it to connect up and use the former German line between Monrovia and Pernambuco.

The President also said that the Chargé d'Affaires intimated that if the Liberian Government refused to grant the permission asked of it, then the Compagnie des Cables Sud Americains would go out to sea get the free end of the cable, at the point where it had been cut, attach a new section and carry the terminus to the French port of Konakry or Dakar. I have no doubt that the reported intimation was made, because when speaking informally to me one day on this subject the French Chargé d'Affaires made practically the same statement.

The President resents the intimation and he gave me to understand that the Compagnie Des Cables Sud-Americains may do as it likes beyond the jurisdiction of Liberia but the veiled threat would not secure the permission sought within confines of the Republic.

The President also asked me to request the Department to support the Liberian Government in its decision not to give up possession of the German station for the reasons already set forth herein.

I have [etc.] RICHARD C. BUNDY

882.77/25

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *November 27, 1918.*

MR. SECRETARY OF STATE: My Government informs me that the French Colonial Society for Commerce and Industries has filed with the Liberian Government, an application for a harbor at Monrovia and a railway connecting that town with the Franco-Liberian boundary. American interests are to share in that undertaking.

The application is to be laid before the Liberian Congress that will meet on December 2d next, and my Government would attach great value to having the Federal Government kindly instruct its

representative at Monrovia to support the action which his French colleague has been directed to take in the matter.

I should be very thankful to Your Excellency if you would kindly let me know the decision you may see fit to reach in the case.

Be pleased to accept [etc.] JUSSERAND

882.602/9a : Telegram

The Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *November 29, 1918, 6 p.m.*

You may suggest orally to the Liberian Government that it might be wise to withhold the conclusion of any agreement with any nation or the granting of any concession while this Government is in the course of negotiations with the British and French Governments regarding the refunding of the loan of 1912.

It is hoped that these negotiations will be shortly concluded.

LANSING

882.73/7 : Telegram

The Chargé in Liberia (Bundy) to the Secretary of State

MONROVIA, *November 29, 1918, 5 p.m.*
[*Received November 30, 7.20 p.m.*]

On September 13th, 1915 German cable between Monrovia and Pernambuco, Brazil, was cut and not since operated. Legation advised that French cable company here has informed Liberian Government of its intention to attach a new section of cable at sea to the end of the old line from Pernambuco at the point where it is cut and permission is requested of the Liberian Government by the French cable company and vigorously supported officially by the French Charge d'Affaires to connect on the beach at Monrovia the land end of this new section to an unused line already laid by said company from its own cable office in this city to the point on the beach at which the land end of the new section will emerge from the sea. If carried out this proposition would give French cable company possession of what was substantially old German cable between Monrovia and Pernambuco. Liberian Government has not given requested permission; in addition to several reasons, national in scope, maintains that final disposition of former German cable lines may be question of international concern and it is thought inadvisable for Liberia to take independent action in the question at the present time. Accordingly Liberian Government earnestly requests the Government of the United States to support the posi-

tion taken by the Republic in this matter with a view to an adjustment after it has been definitely ascertained by consulting the Department, if not otherwise, what act[ion] Liberia may take without prejudice to her national as well as international obligations.

Liberian Government also expresses the hope that Department may find it possible to examine before reaching its decision full written explanation, to be mailed, of all reasons given for not granting permission requested.

[BUNDY]

882.73/19

The Chargé in Liberia (Bundy) to the Secretary of State

No. 272 [MONROVIA,] *November 29, 1918.*
[*Received February 4, 1919.*]

SIR: Supplemental to Legation's despatch No. 269, dated Nov. 18, 1918, and in confirmation of its cable of Nov. 29, 5 p.m., I have the honor to transmit herewith copy of a communication received from the President of Liberia relative to the request of the French Cable Company to connect and use at Monrovia the old German Cable line which the German South American Cable Co. operated, before the war, between Monrovia and Pernambuco, Brazil.

From the President's communication the definite proposition of the French Cable Company, whose exact name is "Compagnie Des Cables Sud-Americains", now appears to be as follows:

Permission is requested to attach a new section to the sea end of the cable from Pernambuco, at the point where it is cut, reported to be less than ten miles from Monrovia, and connect the land end of this new section on the beach at Monrovia to an unused line already laid between the cable office in this city and the point on the beach where the new section will emerge from the sea.

The Liberian Government is not disposed to grant the permission requested for several reasons which are clearly set forth in the enclosure. And upon these reasons the President of Liberia requests the Government of the United States to support the position taken by Liberia with reference to this matter.

I have [etc.] RICHARD C. BUNDY

[Enclosure]

President Howard to the American Chargé (Bundy)

MONROVIA, *November 27, 1918.*

SIR: I feel impelled to bring to your attention for the immediate information of your Government, the fact that the South American

Cable Company is persistently exercising efforts to secure possession and control of the German Cable Station at Monrovia and the cable line connecting Monrovia with Pernambuco.

The Superintendent of the French Cable Station approached this Government very shortly after the declaration of War upon Germany by Liberia with a proposal for taking over the entire German Cable plant and of operating it in conjunction with its own. This proposal was definitely declined. This company has now renewed its efforts, but it has apparently abandoned the idea of using the buildings or other property of this station.

The German Cable between Monrovia and Pernambuco was cut a few miles from the Liberian shore during the latter part of 1915. The French Cable Company now desires to connect up the sea-end of this cable with their shore station and to operate this line from their own plant, thereby linking up South America with their present system. The Superintendent of the French Company has stated that, in the event the Liberian Government refuse to grant permission to make this connection, this same sea-end will be attached to the cable station at Konakry and Liberia will be isolated, so far as this line is concerned. This fresh proposal obviously has the approval of and is being urged by the French Government, for the French Charge d'Affaires has verbally corroborated the position of the Superintendent, and presses for action on the part of the Liberian Government.

The Government of Liberia is wholly opposed to giving its consent to any proposition which will mean the transfer of this cable or any of the property of the station itself to the French Cable Company. This company already has its own very extensive system, and it is hardly to be expected that it would be to the best interests of the Republic to place the German Cable also under the control of this company, thereby creating a monopoly of submarine communication.

Other considerations of great import prevent the Liberian Government from entertaining the proposal of the French Cable Company:

1. This German Cable Plant and line form a most valuable security, and its present possession by the Liberian Government gives assurance of an equitable adjustment of its claims resulting from the visit of the German submarine, its bombardment of Monrovia and for the sinking of the Schooner *President Howard.*

2. This property having come into the hands of the Liberian Government as a sequel to its declaration of war upon Germany, it does not feel that the same should be transferred, as is desired by the French Cable Company, or finally disposed of without ref-

erence to the general settlement of interests which will undoubtedly be the concern of the Peace Conference, nor that in any event should such a step be taken except upon the advice of the Government of the United States.

3. Should events ultimately place this station in the permanent possession of the Liberian Government as its just property, and should the Government not desire to operate it for and on its own behalf, it is hoped that the Government of the United States will in some manner undertake to reopen this station. In this connection, it is believed that this arrangement may be feasibly carried out in view of the recent credit established for Liberia by the Government of the United States.

4. The German Cable Station was erected and was being operated by virtue of concessional rights granted by the Legislature. These rights cannot be fully transferred, therefore, without reference to that Body, and the right to operate a cable line from Monrovia to Pernambuco is essentially what the French Cable Company is now seeking in its efforts to gain the control of this station.

5. The Liberian Government feels that in the past it has not derived sufficient benefit from the privileges it has from time to time conferred by these concessions, and, considering its commercial and strategic value, the future disposition of this station is a subject which the Liberian Government is determined to take under careful advisement in conjunction with the financial and economic rehabilitation which must follow the application of the $5,000,000.00 credit.

I sincerely trust that the views of the Government of the United States on this matter may fully accord with our own, and that it will see its way clear to support the position of the Liberian Government in its efforts to thus safeguard its obvious interests.

Cordially and sincerely yours,

D. E. Howard

882.51/901a : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

Washington, *December 28, 1918, 7 p.m.*

Confidential. In accordance request Liberian Government contained in last paragraph your November 29, 5 p.m., Department will await receipt of full written explanation, which it is assumed is now coming forward by mail. Meanwhile on basis information contained in your November 29 and in accordance with policy outlined in Department's November 26 [*29?*], Department agrees with attitude of Liberian Government in declining to settle matter in advance Peace Conference and settlement negotiations with British and French Governments regarding refunding of loan of 1912.

Polk

882.602/16

Memorandum of the Assistant Secretary of State (Phillips)

[WASHINGTON,] *January 4, 1919.*

De Chambrun [53] brought de Sartiges [54] with him this morning and left him to take up Liberian matters. He made two requests, First, that we should support the French request already made on Liberia for permission to make the new connection for the old German cable at the French terminus in Liberia. I replied that this would create a French monopoly in the cable situation and that we had not asked Liberia to grant the French request because we were not sure that any monopoly would be in the interest of Liberia.

The second point raised was in regard to the French railroad concession. De Sartiges thought that if the United States was sincere in its advocacy of the "equal opportunity" status of Liberia, we should demonstrate our sincerity by supporting the French request for this concession. I replied that beside the French concession, the British had a similar one connecting with their railroad; that we could not as the first friend of Liberia urge them to grant concessions which would sap the very life blood of the country; that this sapping process would not normally take place if there was an effective government with an income of its own and in a position to look after its own interests, but that when a government was down and out as is that of Liberia at the present time, the granting of two such concessions would put the country out of business and it might be just as well turned over completely to its neighboring States; that consequently I felt that Liberia should first be placed in a healthy position and then the railway concessions could follow and be a benefit to the country itself. I explained that the colored population in this country had recently come together and were taking a renewed interest in Liberia; that it was necessary, therefore, for us to endeavor to give the country another deal and that we were convinced the proposed course was the only way of doing it. He said that it would be very difficult for the Foreign Office to get away from the idea of an American protectorate. I replied that on our part we could easily raise the objection that the concession requested carried political control and that it was for that reason that France was interested in the railroad concession.

I promised to send him a memorandum covering all the arguments in the case.

W[ILLIAM] P[HILLIPS]

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[53] Charles de Chambrun, French Chargé.

[54] L. de Sartiges, Second Secretary of the French Embassy.

882.73/10a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *January 8, 1919, 6 p.m.*

147. For Secretary Lansing.

The French Chargé d'Affaires is pressing the Department to support the French request for permission to connect to the French terminus in Liberia the cable between Monrovia and Pernambuco, Brazil, formerly owned by the Germans and cut by the French during the war which if granted would give to French monopoly of cable communication with Liberia. In a telegram dated November 29th,[55] the American Chargé d'Affaires at Monrovia reported "If carried out this proposition would give French Cable Company possession of what was substantially old German cable between Monrovia and Pernambuco. Liberian Government has not given requested permission; in addition to several reasons, national in scope, maintains that final disposition of former German cable lines may be question of International concern and it is thought inadvisable for Liberia to take independent action in the question at the present time. Accordingly Liberian Government earnestly requests the Government of the United States to support the position taken by the Republic in this matter with a view to an adjustment after it has been definitely ascertained by consulting the Department."

Yesterday the French Chargé d'Affaires advised the Department that he was in receipt of a telegram to the effect that if Liberia did not act immediately on the request of the French Cable Company, a French ship would be sent to Liberia with instructions to carry out the work.

Today Phillips has had a long conversation with the French Chargé d'Affaires. He informed him, with my approval, that we hoped the French Government would not take the step contemplated which could only be regarded by us as unfriendly to Liberia, a country associated with both France and the United States in the war against Germany; that Liberia was a sovereign state; that there did not seem to be any reason why the United States should, contrary to Liberia's expressed desire, insist that she hand over the terminus of the cable to the French Company and that we were, therefore, prepared to support Liberia in the premises.

The French Chargé d'Affaires also brought up the question of the railroad concession. The position taken by us was that railroads in Liberia would be of undoubted advantage to the country

[55] *Ante*, p. 506.

provided the concessions for their construction were granted with proper safeguards and in accordance with the Liberian Constitution; that the welfare of the Liberians in general, however, depended not so much on the granting of concessions to foreign capital as upon the internal reforms contemplated by the refunding of the 1912 loan; that if we were in a position to place Liberia on a substantial basis, Liberia on her part would be in a far better position to grant the concession without in any way affecting her own sovereignty.

The Department believes that the French and the British desire to obtain not only commercial but also political control in Liberia and that unless this Government insists now upon the position taken in the matter of refunding the 1912 loan, the political structure of Liberia will be dominated by foreign governments acting through foreign invested interests; consequently on its part the Department will continue to press the British and French Governments for their approval to the refunding proposal.

The above information is given to you because the French Chargé d'Affaires indicated that as no further progress could be made in Washington regarding the cable situation, he would suggest that Mr. Pichon [56] take the matter up with you direct.

Please give a copy of this telegram to the Embassy for its information.

POLK

882.73/11 : Telegram

The Chargé in Liberia (Bundy) to the Acting Secretary of State

MONROVIA, *January 8, 1919, 7 p.m.*
[*Received January 9, 11.45 p.m.*]

Referring to Legation's November 29, 5 p.m. and Department's December 28, 7 p.m. In an informal conversation yesterday, French Chargé d'Affaires here informed me that French Government would not accept negative reply of Liberian Government to request of French cable company to connect immediately with and operate from Monrovia former German cable line to Pernambuco and that if Liberia continues to maintain present attitude, French Government would take such steps as may be necessary to accomplish aforesaid objective irrespective of Liberian Government's refusal to grant permission sought.

Liberian Minister for Foreign Affairs informs me verbally that French Chargé d'Affaires made substantially same representations

[56] Stephen Pichon, French Minister of Foreign Affairs.

to him 6th instant. In reply Liberian Minister for Foreign Affairs says he reaffirmed Liberia's position as set forth in Legation's November 29 and suggested that the question be [deferred?]. French Charge d'Affaires further told me that French Government was considering and is likely any day to send war vessel to Liberian waters, and under its protection cable would be joined and operated. Also he said that France and Great Britain have agreed to divide this German cable system between themselves and that Great Britain already has taken certain sections allotted to her. France would now proceed to take her parts, of which line from Monrovia to Pernambuco is most important portion. Please acknowledge.

BUNDY

882.73/11 : Telegram

The Acting Secretary of State to the Chargé in France (Bliss)

WASHINGTON, *January 11, 1919, 4 p.m.*

6937. See Department's 147 to AmMission.[57]

In a cable dated January 8 American Chargé d'Affaires, Monrovia, reports that French Chargé d'Affaires has informed him that French Government "would not accept negative reply of Liberian Government to request of French Cable Company to connect immediately with and operate from Monrovia former German cable line to Pernambuco and that if Liberia continues to maintain present attitude, French Government would take such steps as may be necessary to accomplish aforesaid objective irrespective of Liberian Government's refusal to grant permission sought."

Furthermore French Chargé d'Affaires said "that French Government was considering and is likely any day to send war vessel to Liberian waters, and under its protection cable would be joined and operated. Also he said that France and Great Britain have agreed to divide this German cable system between themselves and that Great Britain already has taken certain sections allotted to her. France would now proceed to take her parts, of which line from Monrovia to Pernambuco is most important portion."

On the same day the Department informed the American Chargé d'Affaires at Monrovia that at the present time this Government is prepared to support the position taken by the Liberian Government.[58]

You will immediately advise the Minister of Foreign Affairs of the action of the French Chargé d'Affaires in Monrovia and express to him this Government's amazement at the reported attitude of the French Government, which seems so wholly inconsistent with the

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[57] *Ante*, p. 511.

[58] Telegram not printed.

principles of justice and rights of small nations for which the United States and the associated governments have been contending. You will point out that the Liberian question is not one affecting or involving West Africa; that Liberia is an independent nation, a member of the Allied group of nations; that this Government has an abiding interest in the welfare of Liberia and proposes to maintain that interest and that the sending of a warship to Liberian waters to enforce the French Cable Company's demands would be considered by the Government of the United States as grave injustice to Liberia.

Advise the Department of the views of the Minister of Foreign Affairs.

Hand copy of this cable to Secretary Lansing.

POLK

882.73/11 : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *January 11, 1919, 4 p.m.*

4017. Department has today sent the following instruction to the American Chargé d'Affaires in Paris for communication to the French Government:

[Here follows substance of telegram printed *supra*.]

Please advise the British Foreign Office of the position of this Department and express to the Minister of Foreign Affairs this Government's abiding interest in the welfare of Liberia. You will say that the Department cannot believe that the British Government would regard with sympathy the grave step proposed by the French Government which seems so wholly inconsistent with the principles for which the associated governments have been contending.

Cable the views of the British Government.

POLK

882.73/12 : Telegram

The Chargé in France (Bliss) to the Acting Secretary of State

PARIS, *January 14, 1919, 9 p.m.*
[*Received January 15, 3.45 a.m.*]

6749. Yesterday afternoon I read your 6937 January 11th, 4 p.m. to official of Foreign Office in charge of Liberian matters who informed me that on receiving through French Chargé d'Affaires at Monrovia a protest from the Liberian Government against his statements that a French vessel might be sent to effect the landing at

Monrovia of the old German cable to Pernambuco, the French Government had renounced any idea of sending such a vessel to Liberian waters for the purpose. It was explained that when the Liberian Government objected to the old German cable being connected with the German land station at Monrovia because this station is under sequestration, the French then proposed its being attached to the existing station of the French cable, but that this proposal was also refused, though without reason being given.

A note to this Embassy, I was informed, is awaiting the signature of the Minister for Foreign Affairs, in which the French Government expresses its desire to make use of this cable by connecting it with the French station at Monrovia, and that if this is not satisfactory to the Liberian Government, the French Government proposes to connect this cable to the French one at Konakry in French West Africa. The note then points out, I understand, that in order to accomplish this it would be necessary, because of the shortness of the old cable, to disconnect at Monrovia the cable going to Konakry and join it with the one coming from Pernambuco. In this way all cable communication with Monrovia would be severed. As soon as received, I will cable text of the note which I understand also takes up the question of the loan to Liberia and the question of railroad concessions.

BLISS

882.73/13 : Telegram

The Chargé in France (Bliss) to the Acting Secretary of State

PARIS, *January 15, 1919, 12 p.m.*
[*Received January 16, 8.03 a.m.*]

6774. My 6749, Jan. 14, 9 p.m. Following is translation of note dated 10th instant just received from Foreign Office.

["] By its note of December 29 last [59] the Ministry for Foreign Affairs expressed to the American Embassy the desire that it should acquaint the Federal Government with the attitude adopted by the Government of the Republic in regard to the financial aid to be extended to the Liberian Government.

It is desirable that France and England should participate as they have done heretofore in the said financial assistance. If the latter were provided by the United States alone it might indeed be considered that the resulting control over the administration of Liberia would be tantamount to the establishment of a veritable protectorate.

It appears from information received from the French Embassy at Washington that the Federal Government considers that this question of financial reorganization is not one which should be submitted

[59] *Foreign Relations*, 1918, p. 547.

to the Peace Conference, but settled between England, the United States and France. The Government of the Republic, desirous of entering into the view of the Federal Government in this respect, and, like it, aiming only at the financial welfare of Liberia, is disposed to examine in the most conciliatory spirit the propositions which the Dept. of State might make. Moreover, in the event of the proposed loan being granted to Liberia by the United States alone the Ministry for Foreign Affairs will not insist upon an American protectorate being declared over that country. It would, however, be understood that the established control involved [*involving*], *de facto*, a sort of protectorate, the Government of the Republic would, henceforward, [for all] demands which it might have to make to the Liberian Govt., have recourse to the Federal Government and request that it support them.

The Government of the Republic has under consideration at the present time two other subjects interesting Liberia, for the settlement of which it would be glad to be able to count upon the cooperation of the Federal Government.

The first is in the regard to a concession requested by a French company the "Société Coloniale pour le Commerce et l'Industrie" for a railroad to connect Monrovia to Beyla in French Guinea. The capital of this company is mainly French, as seems proper for an undertaking which will be operated partly on French territory under the financial guarantee of the French State, but it will accept an important participation of English and American capital. It is manifestly to the interest of Liberia to grant a concession which will result in the development of a large part of its territory without involving any demands upon it liable to prejudice its sovereignty or independence. The request has been submitted to the Liberian Congress, which should reach a decision very shortly. Information received from Monrovia shows that the favorable vote of Congress would be quite assured if, before the 15th of this month, the representative of the United States at Monrovia could notify the Liberian Government that the Federal Government is agreeable to the granting of this concession. The Ministry for Foreign Affairs is pleased to hope that instructions to that effect will be sent by the Department of State to its agent at Monrovia according to the repeated requests presented by Mr. Jusserand at Washington.

The next matter is that of landing the German cable which joined Monrovia to Pernambuco and which was severed by the Allies on the high seas, and connecting it to the French cable station. It would be to the mutual interest of the Allies—among which Liberia is to be counted—that the connection of this German cable and French station be carried into effect as soon as possible. But the Liberian Government opposes to that legitimate request of the French Government an inexplicable and singular refusal. This failure in its duties as an ally by the Liberian Government would justify the French Government in overriding its opposition, but where a weak state is concerned the French Government is loth to have recourse to force to impose recognition of its rights.

The Ministry for Foreign Affairs does not doubt but that the Federal Government will add its solicitation to those of the French Government with a view to obtaining the necessary authorization to

achieve an [operation which would] result in increasing the telegraphic [means of] communication between Liberia and America. Should the Liberian Government decline to be convinced, the Government of the [Republic would,] to its great regret, be obliged to contemplate the connection of this German cable to the French cable lying between Konakry and Monrovia. Such an action would bring about the unfortunate result of isolating Liberia from Europe by obliging the French cable company to suppress the landing at Monrovia of its cable, which would run directly between Konakry and Grand Bassam."

BLISS

882.156/–

The Acting Secretary of State to the French Chargé (De Chambrun)[60]

No. 2298 WASHINGTON, *January 18, 1919.*

SIR: I have the honor to refer to the Ambassador's note of November 27, 1918,[61] by which he informed the Department of State that the Société Coloniale pour le Commerce et l'Industrie, a French concern, in which American interests are said to participate, had filed with the Liberian Government an application for the concession of a harbor at Monrovia and a railway connecting that town with the Franco–Liberian boundary. The Ambassador added that the application of this company was to be presented to the Liberian Congress which was to convene on December 2, 1918, and that the French Government would attach great value to having the United States Government instruct its representative at Monrovia to support the action which his French colleague had been directed to take in the matter.

While it is not stated in the Ambassador's note what action your Government has instructed its Minister at Monrovia to take in the matter, it may be observed that on August 7, 1917 the Liberian Legislature passed an Act governing the application for and the granting of concessions in Liberia. Under the terms of this Act, impartiality of consideration and equality of treatment to all applications not monopolistic in character are provided for and the indiscriminate granting of concessions is guarded against.

From an examination of the terms of the application for concession made by the Société Coloniale, as they have been reported to the Department of State, it would appear that certain provisions of the application may not wholly conform to existing Liberian law touching concessions in that country, which provisions, it is assumed, would necessarily require modification if they are to be brought into consonance with the Act referred to above. Moreover, it is under-

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[60] Summary sent to the Ambassador in France by telegram No. 7043, Jan. 20 (File No. 882.77/25).

[61] *Ante*, p. 505.

stood that the Liberian Legislature, now in session, is not likely to take any action on this or any other application until certain matters regarding Liberia's financial status shall have been brought to a more definite conclusion, after which time the American financial program, of which the French Government has been advised, will be put into operation.

Under these circumstances and in view of the impartial character of the law of August 7, 1917, referred to above, this Government regrets that it is not in a position to support this application for concession of the Société Coloniale pour le Commerce et l'Industrie.

The Government of the United States, having granted a credit of $5,000,000 to Liberia, desires that the economic development of Liberia's resources be carefully safeguarded, as they constitute one of the best potential assets of the Republic. It is highly desirable, in the eyes of this Government, that additional capital be invested in Liberia, that additional trading and commercial houses be established and that suitable general concessions be granted for the development of Liberia's natural wealth and resources. This Government does not doubt that it is the desire of the Liberian Government that French capital seeking investment in Liberia should be granted an equal opportunity, and I may add that this desire is fully shared by the United States. This Government feels, however, that all applications for concessions should be carefully considered and that the natural wealth of Liberia shall be safeguarded in order that the future prosperity of the Republic and of the Liberian people may be assured.

In view of the sympathetic sentiments expressed by your Government regarding Liberia's future development, I do not doubt that the views as expressed herein will be agreeable and acceptable to the Government of the French Republic.

This Government is of the opinion that the development of Liberia's potential resources can better be secured through a grouping of interests or a series of coordinated concessions, rather than through a system of independent and competitive concessions. By continuing the existing practice, conflicting or overlapping rights will unquestionably arise which will delay the work of development and run counter to Liberia's best interests.

It is the desire of the United States Government that this policy of rehabilitation through coordinated concessions should proceed as soon as the exchange of views between this Government and the Governments of France and Great Britain regarding Liberian matters shall have been concluded. With this in view and upon the termination of these negotiations, it is contemplated that the financial adviser of Liberia will proceed to France and England to confer with

the financial interests concerned in order to perfect an acceptable program of concessions and development.

Accept [etc.] FRANK L. POLK

882.73/22

The Chargé in France (Bliss) to the Acting Secretary of State

No. 6966 PARIS, *January 20, 1919.*
[*Received February 6.*]

SIR: In confirmation of my telegram N° 6832 of the 18th instant,[62] transmitting in substance a communication received from the Ministry for Foreign Affairs relative to Liberia and supplementing the note telegraphed in full to the Department by my N° 6749 [*6774*],[63] I have the honor to enclose herewith copy and translation of the Foreign Office note on which my said telegram was based and the object of which is to beg our Government to urge the Liberian Government to reach a better conception of its own interests and those of its allies.

I have [etc.] ROBERT WOODS BLISS

[Enclosure—Translation]

The French Ministry of Foreign Affairs to the American Embassy

According to information just received from Monrovia at the Ministry for Foreign Affairs, the Liberian Government, whose point of view, it is said, is supported by the Federal Government, persists in refusing the necessary authorization to effect the coupling of the German cable between Monrovia and Pernambuco, with the French Company's land station at Monrovia.

As the Ministry for Foreign Affairs has had the honor to inform the American Embassy by its note of the 10th of this month, the Government of the Republic will, much to its regret, be obliged to have this coupling made at the station at Konakry by means of part of the French cable between Konakry and Monrovia, now in operation for Liberia. The responsibility for an action so prejudicial to the interests of Liberia will rest entirely with the Liberian Government. Its refusal to grant an authorization which its duties as an ally as well as its own interest should have prompted it to give voluntarily, seems inexplicable to the Government of the Republic.

The Ministry for Foreign Affairs will be happy if the Federal Government could bring the Liberian Government to a better understanding of its own interests and the general interests of its allies.

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[62] Not printed.
[63] *Ante*, p. 515.

On the other hand the Ministry for Foreign Affairs has also learned that because of the uncertainty of the Federal Government's intentions as regards the concession for the railroad which is requested by the Société Coloniale pour le Commerce et l'Industrie the Liberian Legislature which is about to close its session continues to hesitate to pass the bill which is now before it and which would seem to be advantageous for the country.

Referring to its note of the 10th of this month the Ministry for Foreign Affairs permits itself to request again that the necessary instructions be urgently addressed on this subject to the representative of the United States at Monrovia.

PARIS, *January 17, 1919.*

882.032/25 : Telegram

The Chargé in Liberia (Bundy) to the Acting Secretary of State

MONROVIA, *January 22, 1919, 5 p.m.*
[*Received 10.20 p.m.*]

Legislature of Liberia adjourned today and not on January 20th as reported Legation's January 11, 10 a.m.[63] President of Liberia informs me that Legislature took no action on any applications for concessions.

BUNDY

882.73/14 : Telegram

The Acting Secretary of State to the Ambassador in Brazil (Morgan)

WASHINGTON, *January 23, 1919, 4 p.m.*

Please ascertain promptly who has the custody of the Pernambuco end of the former German cable connecting Pernambuco with Monrovia, Liberia. Cable reply.

POLK

882.73/14 : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *January 23, 1919, 5 p.m.*

For your confidential Information.

Cablegram just received from Paris transmitting substance of French note is ambiguous and vague with errors in transmission,[64] but the Department understands the French to state that if Liberia does not permit them to land German cable at Monrovia they may

[63] Not printed.
[64] Cablegram not printed; for text of French note of Jan. 17, see p. 519.

connect German cable with their cable to Konakry and disconnect their line at Monrovia thus leaving Monrovia without cable communication. Cable confidentially your estimate and recommendation.

If French disconnect their cable at Monrovia would it not be possible readily to secure connection from another cable line which passes Monrovia? Could German wireless now be utilized to give Liberia outside communication with Brazil or elsewhere?

POLK

882.73/13 : Telegram

The Acting Secretary of State to the Chargé in France (Bliss)

[Extract [65]]

WASHINGTON, *January 25, 1919, 1 p.m.*

7126. Your 6674 [*6774*].[66] . . .

. . . . . .

The application for concession by the Societe Coloniale has been fully dealt with by Department in note to French Charge and summary cabled to you in Department's 7043.[67]

The Department reserves for later discussion the question of the landing of the German cable.

POLK

882.73/16 : Telegram

The Ambassador in Brazil (Morgan) to the Acting Secretary of State

[Extract]

RIO DE JANEIRO, *January 30, 1919, 12 m.*

[*Received 9.20 p.m.*]

Department's January 23, 4 p.m. Investigations at Pernambuco indicate that local end of German cable remains in possession of German company although Brazilian Government has declared concession null and void. German representative is August Clauspitt of Pernambuco.

On the basis of Department's instruction of September 28 [*27*], 4 p.m.,[68] Embassy was informed by Wenceslao Braz, late President, that Brazilian Government was not prepared to confiscate the cable or to hand it over to any one. . . .

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MORGAN

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[65] Printed in full on p. 466.
[66] *Ante*, p. 515.
[67] See footnote 60, p. 517.
[68] Not printed.

882.73/20 : Telegram

The Chargé in Liberia (Bundy) to the Acting Secretary of State

MONROVIA, *February 4, 1919, 11 a.m.*
[*Received February 5, 3.24 a.m.*]

I have confidentially acquainted the President of Liberia with substance of Department's January 20, 2 p.m.[69] and January 23, 5 p.m. In reply he reiterated to me determination of the Liberian Government not to grant permission requested by French cable company to connect at Monrovia former German cable line from Pernambuco either to French or German station here. With reference to intimation in note from French Government relative to the probable necessity if Liberian Government's attitude is not changed of isolating Monrovia by disconnecting cable and using same to connect Pernambuco cable to Konakry, President states that Liberian Government understands that a British cable operated by the Great Eastern Telegraph Company passes Liberian Coast few miles off Monrovia and Liberian Government is willing to open negotiations with this company if the Department thinks it is advisable for the purpose of bringing a branch cable into Monrovia in case French intimation is carried out. Liberian Government is reassembling German wireless plant here and expects to determine within the next few days whether it can be effectively used as a means of communication with outside world. If French company disconnects their line to Monrovia, thus leaving Monrovia without cable communication, then Liberian Government will consider this act a cessation of operations of this company and will insist upon application of the provision of the law granting its franchise which reads: "Whenever the company shall cease to operate, all lands which shall have been granted them shall revert to Government with their improvements free of any cost or charge whatever."

Legation is of the opinion,

1. That French will take Pernambuco cable whether or not Liberian Government agrees for them to land it at Monrovia provided effective objection is not otherwise interposed.
2. At least three considerations will in all probability deter French from actually disconnecting their cable to Monrovia, namely,

a. Loss of large and profitable business French cable company is doing at Monrovia.
b. Loss of property and franchise by application of the law herein before cited if company ceases operations at Monrovia.

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[69] Not printed; it contained substance of telegram No. 6749, Jan. 14, 9 p.m., from the Chargé in France, p. 514.

c. Serious abridgment of French prestige in Liberia which would follow withdrawal of French cable from Monrovia.

3. That German wireless plant, if properly installed and operated, would afford ample facilities for present need of outside communication.

In case Liberia becomes solely dependent upon German wireless plant for outside communication, would Department recommend for appointment by Liberian Government technical expert who would supervise plant and staff?

President of Liberia asked me to ascertain whether it can be arranged through the good offices of the Department to keep Liberian Mission at Peace Conference fully informed of developments in this cable controversy.

BUNDY

882.73/20 : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *February 8, 1919, 5 p.m.*

Legation['s] February 4, 11 a.m.

Department would be willing to recommend for appointment by Liberian Government technical expert to supervise plant and staff in case Liberia becomes solely dependent upon German wireless plant for communication.

The American Mission at Paris has been advised of each step in the German cable controversy with request to keep the Liberian Mission advised.

POLK

882.73/24 : Telegram

The Ambassador in France (Sharp) to the Acting Secretary of State

PARIS, *February 15, 1919, 10 p.m.*
[*Received February 16, 7.11 a.m.*]

7245. Supplementing my 7173, February 12, 10 p.m.[70] Following is translation of the note received yesterday from the Foreign Office giving French point of view regarding German Monrovia–Pernambuco cable:

"The American Embassy is not unaware that one of the first acts of England and France after the outbreak of hostilities, was to sever the submarine cables by which Germany assured her communications with foreign countries and her subjects residing therein. Subsequently and prior to the entry into the war of the United

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[70] *Ante*, p. 468.

States the two Allied countries decided to share between them these submarine lines taken from the enemy which they intended using to develop their own means of communication, thus it was that France was allotted the German cable from Emden to New York via Brest and the Azores, and the Monrovia–Pernambuco cable. For the purpose of operating the northern line, the Federal Government at the request of the French Embassy was pleased to authorize the French cable company to land at its station at New York the German cable of which it had taken possession. For the operation of the southern line, it is a question likewise of obtaining from the Liberian Government authorization to transfer from the station of the Deutsche Sudamerikanische Telegraphen Gesellschaft to that of the French company the former German Monrovia–Pernambuco cable. The Government of the Republic which was happy to remark the good will shown by the United States Government when it was a question of granting these landing facilities upon the latter's own territory, now wonders for what reasons the Federal Government does not show itself disposed to lend it its support with the Liberian Government with a view to obtaining the necessary authorization for the operation of the German cable by the Compagnie des Cables [Sud-Américains.] Yet the request of the Government of the Republic is justified by several reasons. In the first place the possession of the former German cable is most useful to France to double her line from Dakar to Pernambuco. In the second place France cannot admit that the concession for landing a cable at Monrovia should revert to Germany. [The latter] power must not be allowed the possibility of creating afresh a hotbed of intrigue in the very center Africa and to carry out there the realization of its imperialist[ic] schemes. The Government of the United States cannot deny that the question at stake is one of direct interest to the safety of France. The very reasons which oppose the restitution of this cable to Germany are those which make France the most interested in its possession. Moreover her rights upon that part of the cable at present out at sea are indisputable. In point of the fact, this is a case of capture of enemy maritime property. France has in fact actually taken possession of this cable by having repairs carried out on it by a cable ship placed at her disposal by the British Admiralty and for this purpose has invested considerable sums. Further, the Government of the Republic will not refuse to indemnify the German company for the loss of its property, the price at which the cable will be valued can be paid to it by the German Government, and the amount of this payment will be deducted from the sums which Germany will have to pay to France for damages."

SHARP

882.73/20 : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *February 19, 1919, 3 p.m.*

Your February 4, 11 a.m.

Was German cable cut between Monrovia and Canary Islands since cutting of cable north of Canary Islands and is it now available for

messages to Europe and America via Cadiz at reasonable rates. Was German cable between Monrovia and Togoland cut and is it now available for messages.

POLK

882.73/25 : Telegram

The Ambassador in Great Britain (Davis) to the Acting Secretary of State

LONDON, *February 20, 1919, 2 p.m.*
[*Received February 20, 1.37 p.m.*]

1040. Confidential. Your 4017 of January 11, 4 p.m.[71] My 721 February 4, noon.[72] Foreign Office now informs us that the reply to the inquiry addressed by them to the French Government as to the steps which the French have taken or were proposing to take in order to obtain control of the African end of the former German cable from Monrovia to Pernambuco for the purpose of operating the line is to the effect that the original intention of the French authorities to transfer the end of the cable from the ex-German to the French cable station at Monrovia and to send a ship for the purpose was under protest [by] the Liberian Government and that out of [deference] to this protest the French Government have abandoned their intention of sending a ship to Monrovia and propose instead to cut the cable at sea and connect it with French Guinea. The French Government state that as the cable would not otherwise be of sufficient length to reach to the desired point in French Guinea they are giving orders for the removal and use of the cut section. Paris Embassy informed.

DAVIS

882.73/24 : Telegram

The Acting Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *February 24, 1919, 7 p.m.*

7526. Your 7245 February 15.

After reference to and approval of the Mission reply as follows to French Government. "The American Government holds that action in regard to former German Monrovia–Pernambuco cable presents two questions: (1) the control of the cable within the three mile limit and the landing and station at Monrovia, and (2) the disposition of the cable lying outside of the three mile limit. In regard to first, Liberia, as an independent and sovereign state, which status it is assumed that the French Government does

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[71] *Ante*, p. 514.

[72] Not printed.

not question, must make such decision as in her opinion corresponds to her best interests. The disposal of the cable station at Monrovia would likewise appear to be within the jurisdiction of the Liberian Government. In regard to the second, the American Government believes that the final disposition of all German cables seized by the Allies is a matter that should be determined by the Peace Conference. In respect to both the hope is profoundly entertained by the American Government that the Peace Conference will reach a determination regarding the common use of all media of international communication upon a complete equality as between the citizens of all governments that the landing of cables under the auspices of any particular company or nation will be a matter of relatively slight significance." A copy of the foregoing should be referred to the Peace Mission with a reference to the Department cables to that Mission Numbers 728 and 729 of February 14.[73] For your information this Department considers that the connection of the German cable with the French cable station at Monrovia would give French monopoly of Liberia cable communication.

POLK

882.73/26 : Telegram

The Chargé in Liberia (Bundy) to the Acting Secretary of State

MONROVIA, *February 25, 1919, 10 a.m.*
[*Received February 27, 12.28 a.m.*]

Department's February 19th 3 p.m. Former German cable system with Monrovia as center consisted of (1) line from Monrovia to Canary Islands, thence to Emden, Germany; (2) line from Monrovia to Pernambuco, Brazil; (3) line from Monrovia to Lome, Togoland.

. . . . . .

1. Cable between Canary Islands and Emden, Germany has been taken up and relaid from Brest, France to Casa Blanca, Morocco and thence to Dakar. It is now in service between these points under French control.

Cable between Monrovia and Canary Islands cut few miles from Monrovia and also about opposite Freetown. The end of the section nearest Monrovia has been joined at sea off Monrovia to the cable between Lome and Monrovia which had been previously cut some miles from Monrovia. The other end of this section was landed at Freetown. Thus British have made direct line from Freetown to Lome cutting out Monrovia.

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[73] Neither printed.

French Chargé d'Affaires claims not to know what has happened to section of the cable between Canary Islands and the point off Freetown where line from Monrovia to Canary Islands was cut. Legation infers that French intend to take possession of same, if they have not already done so.

Cable between Pernambuco and Monrovia cut about ten miles off Monrovia and has not been repaired.

German cable station here is still completely isolated and if foregoing is true communication through it over at least two of the three former German lines can never be restored.

. . . In connection with this cablegram please see latter portion of last paragraph, Legation's January 8, 7 p.m.[74]

BUNDY

882.77/31 : Telegram

The Chargé in Liberia (Bundy) to the Secretary of State

MONROVIA, *September 25, 1919, 2 p.m.*
[*Received September 26, 12.42 a.m.*]

President of Liberia has handed me a copy of the application of the Liberian International Corporation of London for a comprehensive railway concession in the Republic. This application which is an entirely new scheme has just been filed in Liberian State Department and will come before Legislature in December.

Liberian International Corporation as [*is?*] understood to be same financial group in whose interest Sir Alfred Sharpe visited Liberia last year. Copy of application will be sent Department by next mail.

BUNDY

882.77/31 : Telegram

The Acting Secretary of State to the Chargé in Liberia (Bundy)

WASHINGTON, *October 1, 1919, 6 p.m.*

Your September 25, 2 p.m.

You may suggest to Liberian Government that for the present and until the conclusion of loan agreement negotiations they may not wish to give definite consideration to such applications.

PHILLIPS

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[74] *Ante*, p. 512.

SERVICE OF AMERICAN OFFICERS WITH THE LIBERIAN FRONTIER FORCE

882.00/613

The Chargé in Liberia (Bundy) to the Acting Secretary of State

No. 338 MONROVIA, *June 9, 1919.*
[*Received July 16.*]

SIR: I have the honor to make the following report for the information of the Department.

For more than two years past the native tribes in the region of Cape Palmas, Liberia, have been in more or less open rebellion against the Government. The reduced number of the Frontier Force, due to the adverse financial condition, and the lack of ammunition have made it necessary for the Liberian Government to temporize with the situation and have delayed the taking of such measures as would effectively restore peace, good order, and security among the native tribes inhabiting the country around Cape Palmas.

In January last matters grew worse and it is reported that the civilized population of Cape Palmas could not go one-half mile beyond the town limits without being fired on from ambush by the natives who had closed all roads leading to Cape Palmas.

On January 25th, last President Howard sent Major John H. Anderson, the American officer commanding the Liberian Frontier Force, to Cape Palmas with instructions to restore order. Major Anderson only had 126 soldiers and a very limited supply of ammunition for this work. By good strategy and by wisely disposing of the force at his command he was able completely to overcome the rebellious tribes.

There were two notable features of this expedition.

First he succeeded in gaining possession of arms and ammunition from the defeated tribes as follows; and also see enclosure No. 1.[75]

6,900 small arms, one-third were improved guns, all burned.
880 small arms, improved.
42 cannon, large and small.
1,900 rounds of ammunition.
78 revolvers of all kinds.

I am informed that among the small arms more than two dozen varieties were represented and at least 17 of these varieties were improved guns. The capture of this quantity of arms and ammunition by Major Anderson must be regarded as an accomplishment of

[75] Not printed.

great importance. The Liberian Government has tried from time to time since 1910 to subdue and disarm these tribes but until now has not been successful.

Second with the prisoners captured Major Anderson built 12 miles of road straight to the interior from Cape Palmas and he has that much more under construction. By means of this road it is expected that troops may be moved with such facility that in future it will be difficult for a native uprising to gain any headway in the immediate vicinity of Cape Palmas.

The work which Major Anderson has done ought to bring about peaceful conditions in the Cavalla river district and around Cape Palmas for a long time to come. But in order to secure the full benefit of this work and make its results permanent there should be an American officer of the Liberian Frontier Force in charge of all detachments of soldiers stationed in this section of the country. And likewise there should be an American interior commissioner with oversight of the native tribes in the same area. If this is not done after the lapse of a few months there will undoubtedly be trouble again in this region.

This opens the question of more American officers for the Frontier Force. Major Anderson is a much over-worked man and he should have at the earliest possible moment two American Captains to assist. The Liberian Government would be glad to appoint them to fill vacancies which have existed for more than two years. And as they are provided for under the old loan agreement it is thought that their designation would not in any way embarrass the Department although the negotiations at Paris relative to Liberia may not yet have been completed.

Perhaps the appointment of interior commissioners may have to await the termination of negotiations but it should not be delayed a moment longer than is absolutely necessary if internal disorders are to be prevented.

The Liberian Frontier Force under the command of American officers has captured from rebellious tribes in various portions of Liberia during the last four years about fifteen thousand guns nearly one-third of which were modern improved rifles. This of itself shows the urgent necessity of more effectively controlling the traffic in arms and ammunition, and this matter must claim the early attention of the American agents who may be sent to assist Liberia.

It is understood that Major Anderson has renewed his contract with the Liberian Government for another year. The President in a letter of cordial commendation which I have seen, dated May

28th, 1919, has taken occasion to express his appreciation of Major Anderson's services in the following language: "I am more than well pleased with what you have done, you have my congratulations and thanks as well as the thanks of the Government and people. No complaints have reached us about you, rather nothing but praise from the Cape Palmas people. Do not concern yourself about complaints. Do your work. You have our Confidence".

I have [etc.] RICHARD C. BUNDY

MEXICO

MESSAGE OF PRESIDENT CARRANZA TO THE NATIONAL CONGRESS, SEPTEMBER 1, 1919

812.032/63

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2341 MEXICO, *September 3, 1919.*
[*Received September 11.*]

SIR: With reference to the Embassy's recent telegrams [1] relating to President Carranza's annual message, read at the opening of the Mexican Congress on the first instant, I have the honor to submit, herewith, the text of the message as published in *El Heraldo de Mexico* of this city, together with a translation of the portion concerning foreign relations and of Mr. Carranza's brief summary of the work and present condition of the various Departments of the Government.

I have [etc.] GEORGE T. SUMMERLIN

[Enclosure—Extracts—Translation [2]]

Message of President Carranza to the National Congress, September 1, 1919

RELATIONS WITH THE UNITED STATES OF AMERICA

On December 28, 1918, the Embassy of the United States addressed two notes to the Department of Foreign Affairs, on the petroleum matter.[3] The first is an answer to Mexico's note [4] in which was expressed our right to legislate on petroleum in the manner in which we have been doing.

Said reply states that the Government of the United States believes that the Government of Mexico has the best of intentions to arrange this matter, and that this will redound to the benefit of the good relations between the two countries. It adds that it hopes the friendly sentiments of Mexico will be translated into a reconsideration of all the decrees and laws which have been issued on petroleum,

[1] Not printed.
[2] Substituted for file translation.
[3] See instructions of Dec. 13, 1918, to the Ambassador in Mexico, *Foreign Relations*, 1918, p. 784, and note of Dec. 28, 1918, to the Mexican Acting Secretary of State, *ibid.*, p. 792.
[4] Note of Aug. 17, 1918, *ibid.*, p. 767.

and it avails itself of the occasion to state that the United States has never in any manner, by the voice of any of its chief magistrates, especially by that of its present President, obligated itself not to employ diplomatic intervention in favor of its citizens abroad, when such action is justifiable. It does not accept Mexico's argument that if foreigners were given the right of diplomatic representation, they would be in a more privileged position than nationals in many cases. It suggests that the national has, aside from the ordinary judicial recourse, the final recourse of changing, by means of the vote, the institutions or authorities who may encroach upon their rights; that foreigners do not possess this right, and therefore they would be placed in a position of disadvantage as compared with nationals, were they prohibited from appealing to their governments for protection against wrongs.

The note concludes by saying that if the subsequent proceedings of the Mexican Government and of its administrative or judicial authorities should not respond to the hopes of the Government of the United States, the latter reserves to itself the consideration of the question of interesting itself further on behalf of its citizens in respect to this important matter.

The note also states that the President has drawn a sharp contrast between the policy of armed intervention and that of diplomatic intervention. He has declared on numerous occasions, in effect, that he would not countenance armed intervention in the affairs of another state for the purpose of gratifying selfish interests, and the composite statement presented by the Mexican Minister of Foreign Affairs clearly comprehends such a situation.

But the President has never stated that he would forego the right of diplomatic intervention in behalf of his fellow citizens, a distinctly friendly method of supporting legitimate national interests in order to avoid injustice. On the contrary, the President had declared for diplomatic interposition nowhere better than in the following paragraph from his address of January 29, 1916:

"The United States has not only to assert her right to her own life within her own borders; she has also to assert her right to equal and just treatment of her citizens wherever they go."

The Government of the United States asks no more than "equal and just treatment" for its citizens, and therefore cherishes the sincere hope that the Mexican tribunals whose prerogative it may be to pass upon the legal questions involved in the petroleum decree, will, in the proceedings which it is understood have been initiated and which may hereafter be commenced, protect the legitimately acquired rights of citizens of the United States. Thus the controversy may happily be ended. However, should this hope unfortunately be dis-

appointed, the Government of the United States must reserve to itself the consideration of the question of interesting itself further on behalf of its citizens concerned in this grave and important matter.

The second note, of the same date, states that in case the Congress should ratify the laws and decrees on petroleum, the Government of the United States desires to reiterate its former protests.

The Department replied, acknowledging receipt.

The Embassy protested against the Treasury circular relative to the collection of royalties from petroleum companies. The Department made the necessary objections.

On their part, the citizens of the United States who are interested in petroleum properties in Mexico have opened and support with perfect organization, extraordinary vigor and marked persistency, a press campaign in the United States for the purpose of so impressing by all the means at their disposal the public opinion of that country, the general mass of their fellow citizens, and the members of both Houses, as to force the Government to intervene in Mexico, in order that our laws may be in accord with their personal interests. This latter purpose they do not invoke generally, but they present as a reason for intervention the lack of guarantees which they claim prevails in our territory, this being a most effective means of impressing public opinion.

Unfortunately, the Government of Mexico frequently receives representations, more or less energetic, from the Government of the United States, in the cases in which we desire to introduce innovations which injure the interests of some citizens of that country; these representations tend to restrict our liberty of legislation, and invade the right which we possess of self-development in accordance with our own ideas.

The most important case is that of the Richardson Construction Company, in which diplomatic representations were made against the raising of taxes on a great estate,[8] notwithstanding that one of the causes of the Revolution was the great disproportion between the values of real estate and the taxes imposed thereon.

There have been other cases of representations, for example: because of tax increases or export restrictions on hides; because of export taxes on cattle; because of production taxes on metals and taxes on mining claims; because of the increase of export taxes on cotton produced in Lower California.

In all these cases, the argument used by the Department of State of the United States in official notes, or by the press when the action has assumed other characteristics, has been that the duties or taxes

[8] See p. 624.

are "confiscatory," the word having been given so extensive a meaning that it is thought that by its use every restriction on our liberty of legislation is covered and justified.

The Government of Mexico hopes that the Republic of the North will respect the sovereignty and independence of Mexico, because to violate them on the plea of lack of guarantees for its citizens or of legislation injurious to their interests would constitute an unpardonable transgression of the principles of international law and morality, and would give proof that the greatest misfortune of a people is that of being weak.

Due to our geographical situation in respect to the United States of America, and the numerous commercial ties we have with them, various incidents of different kinds have arisen in the course of our international relations:

Last year, a group of soldiers of the United States crossed the frontier and entered our territory as far as the town of El Mulato, as a result of which shots were exchanged, resulting in the death of a citizen of the United States and in injury to a Mexican fiscal guard. Our Embassy made appropriate representations and the Government of the United States replied that, in truth, its soldiers were to blame for the incident, and that as a result of a court martial two of them had been sentenced to one year's imprisonment, two others to three years, and one to five years.[9]

In the same year, a group of soldiers of the United States shot at Mexican farmers who were at work in our territory, in the Municipality of Villa Acuña, Coahuila, and killed the Mexican Angel Rangel. The corresponding representations being made, the Department of State informed our Embassy, through which they were made, that, in truth, three soldiers of the Army of the United States had fired, occasioning the death of Rangel, and that they would be court-martialed. No information has been received that the culprits have been punished.

In April last, our Embassy in Washington received a memorial signed by numerous Mexicans residing at Bartlesville, Oklahoma, complaining of the unjust persecutions of which they are the victims in that region, because on the 16th of April the Mexican David Cantú was assaulted without reason by five or six citizens of the United States. On April 18th various Mexicans who were at a reunion overheard a public official say that in his opinion Cantú should be beaten and hanged to a post, and so it happened that on the 22nd three citizens of the United States went to the place where Cantú worked, and hanged and beat him—all without any reason whatever.

[9] See *Foreign Relations*, 1918, pp. 572–573.

At the same place, a Mexican, José N., who worked in a café, was shot in the head by a dentist.

Our Embassy in these cases, as in all others requiring such action, made representations, but to date it is not known that the culprits have been arrested.

In April, this year, at a point known as Vado de Piedra, jurisdiction of Ojinaga, Chihuahua, some soldiers of the United States Army invaded our territory in pursuit of some outlaws, and they entered to about twelve kilometers. They entered a second time through the same point to attack the oulaws, killing five of them. They accidentally injured a young lady and a man. Appropriate representations were made by our Embassy to the Government at Washington, but to date no information has been received that the corresponding sentence has been handed down.

In May last, the Mexican Jesús Aguirre, who worked in a shipyard at Rockport, Texas, was unjustly struck and injured by three citizens of the United States, and the local authorities did not give him justice. And our Consul at Corpus Christi reported that there is a marked hatred at Rockport against the Mexicans, who are not admitted in the hotels, boarding houses, eating places, barber shops and other public places, and their children are placed in a special school where the conditions are very deficient.

In June, this year, the Board of Education of the State of California excluded Mexican children from the public schools of Santa Paula, El Centro, and other towns in California, and sent them to negro schools.

Representations having been made by our Embassy, the Government of the United States has submitted explanations on the case.

On June 15th last, Villa and his followers attacked Ciudad Juárez, which was defended by General Francisco González, and having failed in three successive assaults, Villa sought to provoke an international conflict by firing on territory of the United States and causing several personal injuries. This gave rise to the troops of that country crossing the border to disperse the Villistas, returning the following day to territory of the United States. General González demanded the immediate withdrawal of those forces, acting with energy and prudence.

Our Government protested against the invasion and made appropriate representations to the Government at Washington, the reply to our Embassy being that the crossing of those troops was simply a protective measure and had for its purpose only the repelling of the Villista attack.[10]

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[10] See pp. 557 ff.

In July last, three masked men assaulted the Mexican paymaster M. Palma, at Marfa, Texas, and took from him the money he was carrying for our troops at Ojinaga, Chihuahua. The President of the Grand Jury of Presidio, Texas, informed our Consul that after a careful investigation the conclusion had been reached that, although the robbery had in truth taken place, no responsibility can be placed as yet, and that the paymaster, while innocent, was to be censured for leaving Marfa so early in the morning. The culprits have not yet been arrested.

In the same month of July, the Mexican Anacleto Salazar was killed by a policeman who was drunk, at Eureka, Utah. The policeman was absolved because it was claimed that he acted in self-defense.

In the same month, the Mexican Francisco Rosales was assaulted and robbed during the riots between blacks and whites in the city of Washington. Our Embassy made proper representations. The culprits have not yet been arrested.

In July,[11] this year, a patrol of United States soldiers at Los Adobes, State of Texas, presuming that certain Mexican workmen were deserters, fired on them, killing the Mexican Julio Carrazco. Our Embassy made appropriate representations. A bill was submitted for the approval of the Congress of the United States to indemnify the family left by Carrazco.

In August last, the Mexicans José Blanco and Elizondo González were attacked by a mob in the city of Chicago, and Blanco, fighting in self-defense, wounded his aggressors with a dagger, for which he was imprisoned. González was gravely injured and placed in the hospital. The culprits have not yet been apprehended. Our Embassy made appropriate representations to the Washington Government.

In August, this year, three soldiers of the United States crossed the border, going as far as San Juan, Chihuahua. Our troops endeavored to capture the invaders, who defended themselves by firing, and escaped, first killing a Mexican soldier. Our Embassy has made the necessary representations to the Washington Government, but it is not known that the culprits have been punished.

Various Mexicans have endeavored at times to cross the Bravo River[12] without obeying the laws and regulations established for the purpose, from which unfortunate incidents have occurred, since the guards of the United States fire upon these travelers, injuring or killing them. Such is the case, among others, of Feliciano Hernández and Reyes Payanes, who were killed in the jurisdiction of San Antonio, Chihuahua.

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[11] This incident occurred on Jan. 18.

[12] Rio Grande.

The Government of Mexico has made appropriate representations.

On several occasions aeroplanes of the United States Army have crossed the frontier, flying over our territory, and in all those cases our Embassy, by direction of the Department of Foreign Affairs, has made the necessary representations and protests, notwithstanding which the incursions have been repeated.

In August last, an aeroplane of the United States Army entered our territory, having landed at a point near Falomir Station of the Chihuahua-to-Presidio Railway, about 112 kilometers from the frontier. Before advice was had as to the whereabouts of said aviator [*sic*], the authorities of the United States requested permission for an aeroplane to cross over to our territory in order to search for the lost officer, which authorization was granted on the 11th of that month, but was not used. A band of twenty Villistas captured the aviators, taking them northward, and demanding ransom. This gave rise to the invasion of the national territory by forces of the United States Army for the purpose of giving battle to the captors of their fellow citizens. The Government of Mexico asked that of Washington to withdraw the invading troops immediately, and protested against the action which constitutes a violation of our rights, a violation which was grave and uncalled for and which has wounded profoundly the patriotic sentiments of the Mexicans.[13]

On August 27 last, the invading forces quitted the national territory, reentering the United States.

Unfortunately, in the history of our relations with the United States of America, this is not the only example of offenses of this kind. Whenever the authorities of that country have deemed it necessary or expedient to invade our territory, they have done so, thus violating the rights of a friendly people. It is not true that only at this time, due to the abnormal circumstances through which the Republic has been passing after its civil war, has the said Government adopted measures of this nature. Neither is it true, as it has been asserted, that the attitude of the Mexican Government during the World War is the cause of these frictions and the setting aside of our rights; it is sufficient to cite a few cases to be convinced that happenings such as we deplore to-day have occurred also in former times.

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On August 14 of the present year,[14] various United States soldiers, from five o'clock in the afternoon, fired upon the peaceful inhabitants

[13] See note of Aug. 26 to the Mexican Ambassador, p. 560.

[14] According to a letter of Oct. 16, 1919, from the War Department, an investigation of the firing on Pompas alleged to have taken place on Aug. 21 revealed no such incident, but on Aug. 11 an American patrol was fired on from Pompas and returned the shots. (File No. 812.0144/191.)

of a place called "Las Pompas," Municipality of Zaragoza, State of Chihuahua, the said inhabitants having had to abandon their homes and seek refuge outside of town.

On August 19, this year, at a town called Barrancos de Guadalupe, Jurisdiction of Ojinaga, Chihuahua, three United States soldiers entered our territory and fired without justification upon some Mexican peons who were laboring in the field, wounding Juan Rey.

On the 23d of the same month, some forces of the United States entered our territory through the town of Guadalupe, State of Chihuahua, for the purpose of pursuing some bandits, and they cut the telegraph line. On the same day, their Government issued orders to these forces to return to the United States.

On the same date, other forces entered the town of San Ignacio, State of Chihuahua, and took with them by force to the United States several peaceful citizens.

The Government of Mexico, in these cases, as in all those involving a violation of our territory or an attack on our sovereignty, has presented energetic protests and adequate representations.

The major part of the Mexicans who, due to the World War, had been recruited in the United States, have been discharged, although information is lacking regarding many of them. Of those sent to the field of battle, it is positively known that five died in the fighting or by drowning, two from accidents in the service, and one from sickness.

Our Embassy in all these cases has made appropriate representations.

Since the recognition of our Government by that of the United States,[15] the latter had not acceded to the handling of extradition papers from Mexico, in accordance with the Treaty.[16] In May, this year, the Department of State informed our Embassy in Washington that it was disposed to handle extradition requests presented by the Mexican Government,[17] and it has so done.

The Government of the United States, on its part, has requested various extraditions of our Government.

The Embassy of the United States has presented to the Department of Foreign Affairs various notes, asking for the apprehension and punishment of those responsible for various crimes perpetrated against citizens of the United States in our territory, and has constantly requested that greater protection be afforded. A few con-

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[15] See *Foreign Relations*, 1915, p. 771.

[16] For text of extradition treaty of Feb. 22, 1899, and supplementary extradition convention of June 25, 1902, see William M. Malloy (ed.), *Treaties, Conventions, International Acts, Protocols and Agreements between the United States of America and Other Powers*, vol. I, pp. 1184–1190 and 1193–1194, respectively.

[17] See pp. 544 ff.; the notification was dated Apr. 21.

crete cases may be cited:[18] Toward the end of November, last year, the Embassy of the United States stated that a fellow citizen, manager of the "La Espada" mines in the State of Jalisco, had been kidnapped. The culprits were pursued by our troops, and he was set at liberty in the beginning of January.

In February, the Embassy complained that Messrs. William J. Devitt, Roy A. Mathewson, and William H. Holmes had been kidnapped at Santa Eulalia by a group of Villistas. The local authorities reported that on the very day of the kidnapping the men were freed.

In March, the Embassy stated that the citizen Oscar Wallace had been kidnapped from the Hacienda de Encinas, State of Coahuila. Notwithstanding the activities of our authorities, they found only the corpse of the kidnapped man; the culprits were captured and are in the hands of the courts.

In June last, the Embassy stated that W. Tevote, citizen of the United States, had been kidnapped by a party of Yaquis at La Colorada, Sonora. Our authorities, as soon as they were informed of the case, sent out forces in pursuit of the culprits, killing three of them.

In July last, a launch of the war vessel of the United States named *Cheyenne*, manned by several sailors, entered the Tamesí River without the proper precautions, and it was held up at an uninhabited spot by an armed band, which stole several articles of personal use and a small sum of money. Our authorities, as soon as they learned of the affair, endeavored to ascertain who were the culprits, and these have lately been arrested and are in the hands of justice, which will surely impose on them the punishment they deserve.

In July last, the Embassy of the United States complained that their fellow citizen Hiram Hughes had been arrested by the Tampico police and that he died from a wound. From the investigations made it was found that Hughes, in a state of intoxication, had wounded himself with his own pistol, according to a declaration signed by him during the investigation.

In July last, the Embassy presented a complaint respecting the assassination of Mr. John W. Correll, perpetrated in the State of Tamaulipas. Our authorities, as soon as they knew of the case, sent out forces in pursuit of the culprits, and having reached their center of operations, killed four of them and captured a number of animals stolen by them, which were returned to their owners. The other murderers of Correll have just been arrested and are in the hands of justice, which will impose upon them the merited punishment.

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[18] See also p. 576.

In July last, the Embassy reported that Mr. Lawrence L. Shipley had been kidnapped by outlaws in the State of Zacatecas. Our authorities immediately issued the necessary orders, and Shipley was placed at liberty, safe and sound, five days later.

In the same month of July, the Embassy complained that the young boy, Philip R. Thompson, had been kidnapped at the Miraflores Hacienda, District of Chalco, State of Mexico, and that a ransom of 1500 pesos was demanded.

The Department of Foreign Affairs stated to the Embassy that the Mexican Government, desirous of doing everything possible to avoid international difficulties, offered in the name of our Government to reimburse the 1500 pesos ransom to save the life of the Thompson boy, though the necessary forces would pursue the culprits. Without the necessity of paying ransom, the Thompson boy recovered his freedom, uninjured. The appropriate authorities reported that they had given due warning to the Thompson boy of the danger to which he would be exposed if he traveled in the region where he was captured.

In the same month of July, the Embassy complained that United States citizen T. J. Costello had been robbed of a large number of cattle. Our forces at once began a pursuit of the culprits and gave them battle, taking from them nearly all the cattle they had stolen.

In May, last year, the citizen of the United States, Whiteford, was murdered by some bandits in the State of Nayarit. Those guilty of the murder have been killed by our forces.

The 14th of August last, the Embassy of the United States complained that the offices of the Penn-Mex Fuel Company at Túxpam had been robbed. In a second communication, five days after the robbery, it insisted that protection be given, and expressed itself in a manner not at all kindly. On the same date, our authorities had already discovered that the robbers were four employees of the same company, two of whom were shot, and a part of the money was recovered and returned to the owner.

The narration of all the cases mentioned suffices to demonstrate that the imputations made to the Mexican Government that it has not the will or the force to punish crimes, are unjust.

On July 22, the Embassy of the United States sent a note with regard to the assassination of Peter Catron,[19] asking that the culprits be punished, and adequate measures be taken to prevent further murders of citizens of the United States. The Embassy added that it had instructions from its Government to state to the Government

[19] See telegram of July 21 to the Chargé in Mexico, p. 572.

of Mexico that if, through a lack of will or ability on its part, the lives of those citizens continued to be menaced, the United States would be forced to adopt a radical change in its policy toward Mexico.

The Mexican Foreign Office replied. in respect to this particular case,[20] that the steps necessary had already been taken to punish the culprits guilty of the murder of Mr. Catron, and, as regards the final part of the note, that Mexico has always showed its good will to protect all foreigners resident in its territory, demonstrating this with positive facts; that the protection which Mexico gives to foreigners cannot be absolute, as such does not exist anywhere; that our Government has always pursued and punished severely those guilty of crimes; that the Mexican Government has interested itself constantly in pacifying the Republic, obtaining repeated successes, as is proved by the deaths of Zapata, Blanquet, Inés Dávila, and many others of minor importance; that, desiring to spare citizens of the United States the assaults to which they may be exposed, the Government suggests the expediency of their remaining in populous districts where complete protection can be accorded them, and that they request escorts when they find it necessary to travel or remain in dangerous zones; and lastly, that a palpable proof of Mexico's good will in protecting the lives and interests of citizens of the United States is the offer made of escorts for paymasters of petroleum companies, which offer has been rejected; the Government has also promised to reimburse the sums of money which may be taken from the paymasters, notwithstanding that they are accompanied by escorts; and that, in view of all the foregoing, the Government of Mexico was surprised at the menace contained in the last part of the note.

Recently our authorities arrested in the region of Tampico a citizen of the United States called Samuel Tolley, who has confessed to the commission of assaults in that district, and gave up a pistol and a rifle, giving information regarding another citizen of the United States who took part in another robbery. He also gave important information regarding the bands which have been assaulting petroleum launches.

On various occasions our Government has made representations to that of the United States, through our Embassy, for the return of the customs duties collected at the port of Vera Cruz by foreign forces, which funds belong to the Mexican Republic, but to date no satisfactory result has been obtained, nor even a final reply.

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[20] See telegram of July 30 from the Chargé in Mexico, p. 573.

Neutrality of Mexico During the World War

With the conclusion of the European war, the various difficulties experienced by Mexico by reason thereof, as reported upon in the Executive's last message to the Congress of the Union, have ceased.

As is well known, the Mexican Republic observed a conduct of absolute neutrality; for while it is true that enemies of the Government and persons interested in it, have on various occasions expressed the opinion that the Mexican Government was not strictly neutral, it may be stated that no act or omission of the Mexican Government can be pointed out as implying the slightest violation of neutrality, based upon the strictest principles of international law, of existing treaties, and of universally established practices.

Unfortunately, on the other hand, the rights of Mexico as a neutral were not always duly respected, inasmuch as some units of the United States Navy remained in exceptional cases for periods of over 24 hours in our waters, and there have constantly been and continue to be warships anchored at Tampico, under the pretext of protecting their nationals.

Mexico and the League of Nations

Upon the conclusion of the conflict, the Governments of the Allied nations came together to constitute the League of Nations, to which it was stated nearly all states could belong under certain conditions, and an invitation was extended to them, excepting Mexico and some others. The Mexican Government on its part has not made nor will it make any effort to enter that international society, inasmuch as the bases upon which it is founded do not establish, as regards either its organization or its operation, a perfect equality for all nations and races, and the Mexican Government has proclaimed as fundamental principles of its international policy, that all the states of the globe should have the same rights and the same obligations, and that no person within a state may invoke a privileged situation or protection by reason of foreign citizenship or for any other reason.

The Monroe Doctrine and the Attitude of the Government [21]

Inasmuch as at the Peace Conference at Paris, consideration was given to the acceptance of the Monroe Doctrine, the Government of Mexico believed it to be necessary that it state publicly, and notify friendly Governments officially, that Mexico had not recognized nor did it recognize that doctrine, inasmuch as it establishes, against the will of all the peoples of America, a rule and a situation

[21] See pp. 545 ff.

upon which they have not been consulted; and, therefore, that doctrine attacks the sovereignty and independence of Mexico, and would create a forced tutelage over all the nations of America.

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INDEMNIFICATION FOR DAMAGES CAUSED DURING THE REVOLUTION [22]

The Government of Mexico established some time ago the form in which indemnification is to be made for damages caused during the Revolution, thus giving proof of a more liberal spirit than that of other governments in analogous situations. In effect, it was established that foreigners as well as nationals could apply to the Consultative Claims Commission in defense of their rights, and in case foreigners are dissatisfied with the decision reached, the question could be submitted to a mixed committee, composed of a representative of the Mexican Government, one appointed by the diplomatic agent of the country to which the claimant belonged, and a third to be selected by mutual agreement. The following foreigners have applied to the Consultative Commission, covering claims to the amounts stated:

33 Claims by Spaniards	Pesos 8,602,882.79
19 Claims by Turks	3,434,196.66
2 Claims by Germans	657,362.54
2 Claims by Frenchmen	282,841.32
2 Claims by Italians	272,497.50
9 Claims by citizens of the United States	139,914.79
2 Claims by Chinese	38,662.38
1 Claim by Guatemalans	20,000.00
1 Claim by British subjects	9,907.25
1 Claim by Hollanders	7,700.00
1 Claim by Austrians	3,225.38
86 Claims [23]	Pesos 13,469,190.61

No foreign government has expressed open objection to Mexico's intentions for the payment of indemnities. However, there is a contrast between the insignificant number of claims presented by some, among them, British subjects and citizens of the United States, and the statements generally made regarding the amount of damages they have suffered; but the Mexican Government has reason to believe that all claims will be presented to the said Commission, especially if account is taken of the recent reforms made in the law, to meet certain objections of a secondary nature for the presentation of claims against the Government of Mexico for damages caused

[22] See pp. 632 ff.
[23] If the other figures are correct, the total number of claims should be 73.

during the civil war, and inasmuch as the Government has shown not only a spirit of justice in this matter, but of equity and conciliation.

On the other hand, the Congress of the Union will at the proper time take up appropriation of the amounts necessary to pay the sums granted as indemnities.

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Boundaries with the United States

The International Boundary Commission with the United States has continued in operation, and has drawn up a proposal for a new treaty on the distribution of the waters of the Bravo and Colorado Rivers. The same Commission has in hand matters relating to the elimination of various bars in the lower Bravo River.

RESUMPTION OF EXTRADITION PROCEEDINGS BY THE UNITED STATES[24]

211.12/31a : Circular telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)[25]

Washington, *April 5, 1919, 6 p.m.*

Report your opinion as to advisability of resuming extradition proceedings with Mexican Government.

Phillips

211.12/37 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

Mexico, *April 11, 1919, noon.*
[*Received 8.31 p.m.*]

2043. Department's consular telegram April 5, 6 p.m. Vice Consul in charge of the Consulate General, Mexico City, and Consul at Vera Cruz, report in favor of renewal of extradition proceedings with the Mexican Government. Embassy sees no objection.

Summerlin

211.12/39a

The Acting Secretary of State to the Mexican Ambassador (Bonillas)

No. 705 Washington, *April 21, 1919.*

Excellency: As Your Excellency will recall, the several requests which you have presented to this Department for the extradition of

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[24] See also President Carranza's message, p. 538.

[25] Sent also to consular officers at Ciudad Juarez; Matamoros; Mazatlan; Monterey; Mexico, D.F.; Piedras Negras; and Vera Cruz.

fugitives from the justice of your Government have been replied to by asking that such requests be held in abeyance for the time being. However, the Department is now prepared to act upon such of those requests as you may desire to have considered now in force, and I should therefore be pleased if you would advise me on this point.

Concerning such fugitives as your Government may now desire to extradite from this country, I should be pleased to have you furnish me with the information which is in your possession, or which you may be able to obtain, as to the present whereabouts of these fugitives. Upon the receipt of this information and of your request that such action be taken, the Department will endeavor to bring about the provisional arrest and detention of these persons with a view to their extradition.

Accept [etc.] FRANK L. POLK

DECLARATION BY THE MEXICAN GOVERNMENT OF NONRECOGNITION OF THE MONROE DOCTRINE[26]

710.11/394

The Mexican Ambassador (Bonillas) to the Acting Secretary of State

[Translation[27]]

WASHINGTON, *April 25, 1919.*

EXCELLENCY: I have the honor to inform Your Excellency that I have received instructions from my Government to acquaint Your Excellency's Government with the following declaration:

"The Mexican Government has learned that the recognition of the Monroe Doctrine has been under discussion in the conferences at Paris. The Mexican Government has not recognized nor will it recognize that doctrine, nor any other which attacks the sovereignty and independence of Mexico."

I avail myself [etc.] Y. BONILLAS

710.11/405

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 2010 MEXICO, *May 13, 1919.*
[*Received May 22.*]

SIR: With reference to the Embassy's telegram No. 2082, May 9, 3 P.M.,[28] and for the records of the Department, I have the honor

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[26] See also President Carranza's message, p. 542.
[27] Substituted for file translation.
[28] Not printed.

to send enclosed copies of the telegram to the New York *World* by its Mexico City correspondent, Mr. Robert H. Murray, reporting an interview with President Carranza in explanation of his opposition to the Monroe Doctrine.

I have [etc.] GEORGE T. SUMMERLIN

[Enclosure—Telegram]

Mr. Robert H. Murray to the New York "World"

MEXICO, *May 8, 1919.*

President Carranza this afternoon received me in national palace and explained exclusive interview why his Government is opposed to Monroe Doctrine in principle and practice. In his statements regarding Mexico's position with respect to Doctrine Carranza was most unequivocal and explicit "Recent declaration of Mexican Foreign Office" said he "to effect that in reply to interrogations from various friendly governments as to Mexico's attitude toward Monroe Doctrine Mexico never has recognized or never will recognize this or any other doctrine which attacks sovereignty or independence Mexico exactly defined our position. It may be taken as official proclamation of fixed and inalterable policy this government" "Why" I asked "Principally for reason that Monroe doctrine is an arbitrary measure which seeks to impose and does impose upon independent nations a protectorate which they do not ask for and which they do not require" replied President. ["]One of principal defects of Doctrine aside from its manifest lack of utility as world present constituted is that it is exceptional in its operation and is not sought to be applied to all countries alike. It is not reciprocal in its benefits and a doctrine which does not provide reciprocal advantages is fundamentally unsound. It is a one-sided affair if it is applied arbitrarily to the Spanish–American Republics it might with equal excuse or lack of it be applied indiscriminately all over the world" "In what manner does doctrine in your estimation constitute disadvantage to Spanish-American countries" "Because it virtually constitutes an unsought and undesired protectorate whenever United States chooses to exercise it without consent of those who are protected" President's response "it is species of tutelage which should not exist, and for existence of which no excuse can be offered. President Wilson expressed himself in this sense in his address to Mexican editors last year["] [29] "Has Monroe Doctrine in any manner worked harm to Mexico or any other Spanish–American Republic" I suggested. "It is not necessary to cite cases" answered President "although probably they might be pointed out But aside from this principle is not tenable. Doctrine is an anachronism

[29] *Foreign Relations*, 1918, pp. 577 ff.

and do not doubt that so regarded by most men who are competent to judge it. One should not consider it from standpoint of whether or not it is beneficent in its operation but whether it is just the right thing to sustain and enforce. Here is situation for example: man comes to you and says he wants to do you a favor. You do not desire him to. You have no need of accepting favors from his hands yet quite against your will he imposes his favor upon you." Carranza [*sic*] "assuming that Monroe Doctrine might be abrogated what could be substituted for it" was asked [*sic*] "Probably no specific substitute is required" was President's rejoinder "If we set up principle of equality of all nations and adhere to it wisely justly there would be no place for Monroe Doctrine even assuming for sake argument that there is present necessity for it which I deny. This principle of national equality would serve with possibly universal acknowledgement of right of nations not concerned in threatened aggressions which Monroe Doctrine is supposed to inhibit to mediate and employ its good offices to prevent such aggressions. This principle of equality among nations should comprehend mediation by one or more nations to prevent armed conflicts or aggressions of nature which usually lead to wars. This would not be a tutelage or protectorate. As matter of fact mediation of this nature is generally practiced or at least offered when conflicts are threatened. There is no Monroe Doctrine for strong nations and there would be no necessity for such doctrine for benefit of weak ones if principle of equality is adhered to. Strong nations do not need a Monroe Doctrine or anything of its nature because among strong nations their might as a rule has been regarded as right." "Isn't this mediation of which you speak embodied in covenant of league of nations" was asked. "I believe so but it applies only to those nations which are members of league" "But not to Mexico question" "Mexico is not member of league" commented President who added to next query that he asked to be excused from discussing league nations Mexican exclusion from it or her interest as nation in league. "Some of the Mexican newspapers have taken position that United States in setting up Monroe Doctrine acted as much from desire to protect herself and her own interests as to shield Southern Republics from European aggression" I remarked. "How has Doctrine ever benefited United States" queried President "Has Doctrine ever been challenged by any European Power? When Doctrine was first laid down would United States which then was far from being as powerful as it later became been able to oppose successfully any European Power which might have disputed it?" "But did not the Doctrine operate to the benefit of Mexico during French intervention?" I asked. "With or without Monroe Doctrine Mexico eventually would have driven French away" answered President with emphasis. President de-

clined to comment upon report from Buenos Aires that Mexican Legation there been instructed by Foreign Office here to present to Argentina and other South American countries project organization league American nations in opposition to league nations.

ROBERT H. MURRAY

EXPORTATION OF ARMS AND AMMUNITION TO MEXICO

Granting of Licenses for Exportation

612.119/2370 : Telegram

The Acting Secretary of State to the Ambassador in Mexico (Fletcher)

WASHINGTON, *January 11, 1919, 6 p.m.*

1794. In May and June, 1917, Mexican Consul, New York, bought 7,000,000 seven millimeter cartridges. These are now stored at Alton, Illinois. About same time, Mexican Government bought 150,000 rounds for Military Commandant at Juarez.

Mexican Embassy here asserts that, owing to restrictions on exportation, cartridges were ordered sold, but as there were no buyers, it now states these shipments are of greatest importance for Mexican Government to use in fighting rebels and in so maintaining order and giving guarantees, and requests permission to export.

Governor Ortiz recently requested American Consul Chihuahua to permit importation 5,000 rifles to protect life and property. Consul believes Ortiz and Castro [30] sincere in their efforts, and worthy of assistance.

Ambassador Bonillas has given interviews to press, to effect that Mexican Government will request permission to ship into Mexico munitions sadly needed by Carranza.

Kindly cable Department your views.

POLK

612.119/2404 : Telegram

The Ambassador in Mexico (Fletcher) to the Acting Secretary of State

MEXICO, *January 12, 1919, 1 p.m.*
[*Received 10.30 p.m.*]

1900. Strictly confidential. Your 1794 January 11, 6 p.m. with reference to request of Mexican Government to export 5,000,000 [*sic*] cartridges and other munitions.

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[30] Gen. Jésus Agustin Castro, Chief of Mexican Military Operations in Chihuahua.

Bonillas interview has also been published here. Evidently, Mexican Government is trying to force favorable action by publicity, or place us in an unfriendly attitude.

Pacification conditions have not materially improved since my arrival here almost two years ago, and confidential reports reaching Embassy show that rebel activity is increasing. Ammunition factory here is practically closed down and Mexican ammunition is of very inferior quality. Much of the rebel ammunition is secured by them from Government forces. Should rebel activities undermine present Government and anarchy or such a state of affairs supervene as would force intervention, our Government would assume heavy responsibility in permitting exportation of such a large quantity of cartridges. Yet I believe Mexican Government urgently needs ammunitions to munition itself and to protect life and property even in the unsatisfactory manner it is now protected. Perhaps it might be arranged, after consulting War Department, to permit periodical exportations of portions of ammunition referred to.

I am inclined to approve shipments mentioned to Chihuahua.

FLETCHER

612.119/2487 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *February 19, 1919, noon.*

1879. Your 1900, January 12, 1 p.m.

On January 6, American Consul at Chihuahua telegraphed request from Governor Ortiz for permission to import 5,000 rifles from United States for use in protecting life and property in Chihuahua. Governor proposed to distribute said rifles where needed so as to release soldiers from Garrison duty in cities and villages for active campaign against bandits. On February 11 Consul telegraphed that Governor had advised him it was believed that Mexican Government could supply sufficient quantities of cartridges.

In view of the fact that Villa has threatened to destroy American property if protection money is not paid him by March 1, and in order to place the full responsibility for protection of life and property in Chihuahua upon the Mexican Government, Department has requested War Trade Board to release through El Paso, 150,000 cartridges and 5,000 rifles, for use in Chihuahua.

War Trade Board has also been requested to release an additional 2,000,000 cartridges through Laredo, consigned to Government at Mexico City.

If possible, discreetly ascertain what steps Mexican Government has taken or will now take to furnish Castro with adequate supply of cartridges.

POLK

812.113/9226

The Mexican Ambassador (Bonillas) to the Acting Secretary of State

MEMORANDUM

The Mexican Government wishes to know if it is possible for the United States Government to sell to the former, rifles which were used by the American Army before the war.

WASHINGTON, *March 18, 1919.*

812.113/9226

The Acting Secretary of State to the Mexican Ambassador (Bonillas)

The Acting Secretary of State presents his compliments to His Excellency, the Mexican Ambassador, and, referring to his memorandum of March 18, 1919, enquiring, whether it is possible for the Government of the United States to sell to the Mexican Government rifles which were used by the American army before the war, has the honor to inform the Ambassador that the Secretary of War states that there is no authority of law for the sale of serviceable arms such as are desired by the Mexican Government, as the Act of July 9, 1919 [*1918*], expressly provides:

"that sales of guns and ammunition made under the authority contained in this or any other act, shall be limited to sales to other departments of the Government and to Foreign States or Governments, engaged in war against any Government with which the United States is at war . . ."

WASHINGTON, *June 9, 1919.*

612.119/2596

The Acting Secretary of State to the Mexican Ambassador (Bonillas)

WASHINGTON, *June 13, 1919.*

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note No. A–4293, of June 12, 1919,[31] concerning permission to export from the United States 150,000 cartridges, to be consigned to the Military Commander at Ciudad Juarez, Mexico, for the use of the garrison at that place in conducting military operations against Villistas.

In reply I have the honor to inform Your Excellency that I have requested the War Trade Board to issue the necessary export license without delay, in order that the cartridges mentioned may proceed to Mexico.

Accept [etc.] FRANK L. POLK

[31] Not printed.

Embargo of July 12, 1919

612.119/2623a

The Acting Secretary of State to President Wilson

WASHINGTON, *July 9, 1919.*

MY DEAR MR. PRESIDENT: I beg to enclose herewith for signature by you, should it meet with your approval, the draft of a proclamation [32] prohibiting the shipment of arms and ammunition from the United States into Mexico.

The present proclamation differs somewhat from the one issued on October 19, 1915,[33] in that it applies to the whole of Mexico and gives specific authority for United States military authorities to assist in its enforcement. This latter change is urged by the Secretary of War.

I have added a final paragraph to the proclamation, with the view to economize your time in the matter of making numerous exceptions to the provisions of the proposed embargo, and in order that the Department may have full authority in the handling of shipments of explosives for industrial and other purposes in Mexico. I may add that this draft has been approved by the Attorney General and by the Secretary of War, and that the latter has repeatedly asked that the proclamation be issued at an early date.

Inasmuch as the War Trade Board has relinquished its control over shipments of munitions to Mexico, and in view of the renewed activities of Villistas in the State of Chihuahua, and because of the receipt by the Department of a number of reports to the effect that munitions of war are being smuggled across the border for use by Villistas in Chihuahua and Yaqui Indians in Sonora, I strongly recommend that the proclamation be issued without delay.

Faithfully yours,

FRANK L. POLK

Proclamation No. 1530, July 12, 1919, Declaring Unlawful the Exportation to Mexico of Arms or Munitions of War

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS, a Joint Resolution of Congress, approved March 14th, 1912, reads and provides as follows:—"That whenever the President shall find that in any American country conditions of domestic violence exist which are promoted by the use of arms or munitions of war procured from the United States, and shall make proclama-

[32] Not printed; substantially the same as signed proclamation, *infra*.
[33] *Foreign Relations*, 1915, p. 780.

tion thereof, it shall be unlawful to export except under such limitations and exceptions as the President shall prescribe any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress;" [34]

And whereas, it is provided by Section II of the said Joint Resolution, "That any shipment of material hereby declared unlawful after such a proclamation, shall be punishable by a fine not exceeding ten thousand dollars, or imprisonment not exceeding two years, or both;" [34]

And whereas, by an Act of Congress, approved June 15th, 1917, it is provided as follows:

"Whenever an attempt is made to export or ship from or take out of the United States, any arms or munitions of war, or other articles, in violation of law, or whenever there shall be known or probable cause to believe that any such arms or munitions of war, or other articles, are being or are intended to be exported, or shipped from, or taken out of the United States, in violation of law, the several collectors, naval officers, surveyors, inspectors of customs, and marshals, and deputy marshals of the United States, and every other person duly authorized for the purpose by the President, may seize and detain any articles or munitions of war about to be exported or shipped from, or taken out of the United States, in violation of law, and the vessels or vehicles containing the same, and retain possession thereof until released or disposed of as hereinafter directed. If upon due inquiry as hereinafter provided, the property seized shall appear to have been about to be so unlawfully exported, shipped from, or taken out of the United States, the same shall be forfeited to the United States." [35]

And whereas, by the same Act of Congress, it is provided in Section 8 thereof as follows:

"The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title." [36]

Now, therefore, I, Woodrow Wilson, President of the United States of America, acting under and by virtue of the authority conferred in me by the said Joint Resolution and Act of Congress, do hereby declare and proclaim that I have found that there exist in Mexico such conditions of domestic violence promoted by the use of arms or munitions of war procured from the United States as contemplated by the said Joint Resolution and Act of Congress; and I do hereby admonish all citizens of the United States and every person to abstain from every violation of the provisions of the Joint Resolution and Act of Congress above set forth, hereby made

[34] 37 Stat. 630. [35] 40 Stat. 223. [36] 40 Stat. 225.

applicable to Mexico, and I do hereby warn them that all violations of such provisions will be rigorously prosecuted.

And I do hereby enjoin upon all officers of the United States, charged with the execution of the laws thereof, the utmost diligence in preventing violations of the said Joint Resolution and Act of Congress and this my Proclamation issued thereunder and in bringing to trial and punishment any offenders against the same. And I direct and authorize the officers and enlisted men of the Army of the United States to observe like diligence in preventing such violations and in causing offenders to be turned over to the appropriate civil authorities for trial and punishment according to law.

And I do hereby delegate to the Secretary of State the power of prescribing exceptions and limitations to the application of the said Joint Resolution of March 14, 1912, as made effective by this my Proclamation issued thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE in the District of Columbia this twelfth day of July in the year of our Lord one thousand nine hundred and nineteen [SEAL] and of the Independence of the United States of America the one hundred and forty-fourth.

WOODROW WILSON

By the President:
FRANK L POLK
Acting Secretary of State.

612.119/2636

The British Chargé (Lindsay) to the Secretary of State

No. 567 WASHINGTON, *July 31, 1919.*

MY DEAR MR. SECRETARY: In connection with the President's Proclamation recently issued, dated July 12, 1919, which prohibits the exportation of arms from the United States to Mexico, except with the sanction of the United States authorities, I have the honour to inform you that I have received an enquiry from my Government as to the grounds on which it is intended to grant licenses for the exportation of arms and ammunition under this Proclamation.

I should therefore be very grateful for any information which you may feel able to give me as to the policy by which the United States will be guided in dealing with any applications for permission to send Arms to Mexico.

Believe me [etc.] R. C. LINDSAY

612.119/2636

The Acting Secretary of State to the British Chargé (Lindsay)

WASHINGTON, *September 16, 1919.*

MY DEAR MR. CHARGÉ D'AFFAIRES: I am in receipt of your note of July 31st last, in which, referring to the President's Proclamation of July 12, 1919, which prohibits the exportation of firearms from the United States to Mexico, except with the sanction of this Government, you request to be informed as to the policy by which the United States will be guided in dealing with any applications for permission to send firearms to Mexico.

In reply I beg to say that the Secretary of State grants licenses to reputable mining companies in Mexico for the shipment of dynamite and other explosives, to be used in mining operations, and also for small quantities of pistols and cartridges for the protection of mining employees or for the protection of Americans and other foreigners engaged in business in Mexico.

In some instances licenses for limited quantities of shot guns and ammunition therefor, for sporting purposes, are granted.

I am [etc.] WILLIAM PHILLIPS

612.119/2748

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. F–493 WASHINGTON, *January 7, 1920.*

EXCELLENCY: I have had the honor to send to Your Excellency the following notes [37] on the dates herewith below stated:

A 4375	July 7, 1919
A 4619	August 29, 1919
F 80	September 13, 1919
F 240	October 21, 1919
F 255	October 27, 1919
F 301	October 31, 1919
F 305	November 3, 1919
F 318	November 8, 1919
F 326	November 11, 1919
F 364	November 17, 1919
F 373	November 22, 1919

in which I applied to Your Excellency for your good offices in obtaining licenses for the export of war material.

No answer having been received as yet to the above mentioned notes, I respectfully beg Your Excellency kindly to let me know

[37] Not printed.

whether they have been received and what decision you may have been pleased to render thereon.

Thanking you most earnestly in advance for the attention you may be pleased to give to the matter, I beg [etc.]

Y. BONILLAS

612.119/2748

The Secretary of State to the Mexican Ambassador (Bonillas)

WASHINGTON, *January 23, 1920.*

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note No. F–493, dated January 7, 1920, in which you make inquiry relative to my decision with respect to the exportation of arms and munitions of war from the United States to Mexico.

In reply, I have the honor to inform Your Excellency that, after mature deliberation, it appears to me inexpedient to permit the issuance of licenses to ship arms and munitions of war to Mexico at the present time.

Accept [etc.] ROBERT LANSING

BORDER DISTURBANCES [38]

Violation by Villistas of Neutrality Laws of the United States—Crossing into Mexico by American Troops: Repulse of Villistas from Ciudad Juarez, June 15–16, 1919; Pursuit of Captors of American Aviators—Flying over Mexican Territory by American Aviators

812.00/22581

The Mexican Ambassador (Bonillas) to the Acting Secretary of State

MEMORANDUM

The *Washington Post*, in its issue of today, publishes the news herewith attached,[39] in which it is stated that Felipe [*Federico?*] Cervantes, Chief of Staff to General Felipe Angeles, when he was with Francisco Villa in 1914, was arrested near Socorro, Texas, 35 miles southeast of El Paso, with 18 men who were attempting to cross to Mexico to join Angeles and Villa, charged with violating the neutrality laws by setting on foot a military expedition against a friendly country.

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[38] Continued from *Foreign Relations*, 1918, pp. 548–576. The greater part of the correspondence relating to this subject is not printed, as it deals with similar incidents and proceedings, and is mostly inconclusive. For mention of other incidents, see President Carranza's message, pp. 531 ff.

[39] Not printed.

The Mexican Consulate General at El Paso, Texas, through its agents, had obtained similar information. A report dated March 12, inst., states that Federico Cervantes, residing at 405 E. Wyoming St.; Magdaleno Flores, of South Florence and Second Streets, room 2 or 3; Jesús Chacón and Alberto Porras, residing at the "Tienda Blanca", on Charles Street, were preparing to leave for Mexico to join Felipe Angeles.

The departure would have taken place on Monday March 17. It is asserted that Cervantes bought in El Paso seven horses with their mounts, and arms with a sufficient number of rounds of ammunition. Julián Téllez and another man were to join them, offering that they would take their own horses and arms. The plan consisted in taking the arms on the night of Sunday March 16, probably on board Ford automobiles, driven by the chauffeurs Ezequiel Chacón and Eduardo Angeles's son. Two or three days before Monday 17th they were to be met by a group of Villistas, who were supposed to reach the border on that date, and were going to take them to Angeles's headquarters. The group was not going to be very numerous, and was to penetrate towards Socorro, on the Mexican side.

A copy of the above report was delivered to Captain Counts, Chief of the Military Intelligence in El Paso, Texas.

Information has been received to the effect that the automobile No. 3, of the "Stand Bueno Bueno", of 304 South Stanton St. driven by Vicente Pérez, former chauffeur of Felipe Angeles in Mexico, is used by the conspirators in their trips across the international line. They also use the automobile of Eduardo Angeles's son, located at the stand opposite another of the same class No. 1181, on Second St. It is stated that Lic. Manuel Garza Aldape, Minister of the Interior in Huerta's Government, has arrived or will arrive very shortly to direct and organize the revolutionary movement in El Paso.

It is desired that the above mentioned men, as well as all others appearing complicated in this matter be punished as violators of the neutrality laws of the United States.

WASHINGTON, *March 20, 1919.*

812.00/22675

The Acting Secretary of State to the Mexican Ambassador (Bonillas)

Referring to the memorandum of His Excellency the Mexican Ambassador of March 20, 1919, in regard to violations of the neutrality laws of the United States by Federico Cervantes and other

Mexicans in Texas, who attempted to join Francisco Villa's forces in Mexico, the Acting Secretary of State has the honor to state that he is advised by the Attorney General that, on April 16, the trial of Cervantes and his associates terminated in a verdict of guilty, rendered by the jury.

WASHINGTON, *May 13, 1919.*

812.00/22811 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 15, 1919, 7 a.m.*
[*Received 1.40 p.m.*]

Villistas entered from east and attacked Juarez this Sunday morning at 12:30, two hours later they occupied larger portion of town, Carrancistas retired to Fort Hidalgo high point half mile southwest of city. At 4 a.m. Carrancistas recaptured town and drove Villistas back to point east of Juarez. Casualties at this writing said to be not great and no American or others than Mexicans known to be injured on Mexican side. Large numbers Chinese have secured refuge at American Immigration Station. Mexican police and immigration officials left duties and came to El Paso early this morning. Several stray shots during fight struck American side causing a few casualties in El Paso. Since Villistas may again suddenly control entire city and vicinities I shall in such case remain at my home El Paso awaiting instructions from Department before crossing to Juarez to open Consulate or treat with any rebels whose leaders probably include Angeles and Villa. Embassy advised.

Dow

812.00/22812 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 15, 1919, 4 p.m.*
[*Received 10 p.m.*]

Fighting resumed this writing. Has been quiet since 6 this morning. Carranza leader gave me today casualty list this morning's engagements as follows: they killed 87 Villistas, wounded 4, took 40 prisoners. Killed Villa's secretary Jesus Trillo, secured some Villa correspondence. Carrancista loss was 7 killed and 23 wounded. I visited Consulate this morning and found bullets had pierced windows and struck ceiling six places. Some stores and saloons were then entered and looted by Villistas. Embassy advised.

Dow

812.00/22814 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 15, 1919, 11 p.m.*
[*Received June 16, 6.20 a.m.*]

Since 5 p.m. skirmishes between Mexican federals and rebels have not resulted decisively. Many Carranzists have sought refuge Fort Hidalgo near Juarez. Several shots from Mexican side have resulted in casualties on American soil. Tonight at 11 p.m. 1600 men from American 24th Infantry crossed to Juarez and other points east and west of Juarez.

Embassy and Consulate at Chihuahua advised.

Dow

812.00/22817 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 16, 1919, noon.*
[*Received 11.15 p.m.*]

About 3600 American troops crossed to Juarez and vicinity Sunday, 11 p.m. Infantry, colored, [numbering?] about 1500, returned to American side before noon today. Two were wounded. They picked up, after fighting, 36 Villistas dead and 18 of latter's horses in neighborhood of Juarez. Cavalry and artillery still on Mexican soil and said to have engaged with force of Villistas at 10 this morning. Cavalry and artillery expected to return to the United States this evening. Reopening Consulate this afternoon. One American freed from Juarez jail by Villistas was killed probably accidentally in fighting yesterday morning.

Embassy and Consulate, Chihuahua advised.

Dow

812.00/22843a : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *June 16, 1919, 6 p.m.*

2049. For your information and for publication in case you deem it necessary, you are advised that the Acting Secretary of State, Mr. Phillips, stated this afternoon that the despatch of troops across the border into the city of Juarez should not be considered in any manner as unfriendly to the Mexican Government, but was made necessary solely by the fact that the rebel forces had occupied such positions in and about Juarez that their shots crossed the border into American territory and endangered the lives of American citizens. After suffering the effects of this fire in which several persons on the

American side of the border were wounded, the American commander moved his troops across the lines in order to drive the rebels away, and for no other purpose whatsoever.

Mr. Phillips stated further that the American troops would be withdrawn immediately after this object had been obtained, and that this had been explained to General Aguilar, now in Washington on special mission from President Carranza, and to Mr. Rojo, the Chargé d'Affaires of the Mexican Embassy.

PHILLIPS

812.00/22822 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 17, 1919, 11 a.m.*
[*Received 2.22 p.m.*]

All American forces returned to United States early evening of 16th. American military report a small number of casualties among Villistas and extremely few among their own forces. Latter took 9 Villistas prisoners. Consulate open today. Telephonic communication between El Paso and Juarez will not be resumed until El Paso telephone officials receive instructions to that effect from Post Office Department. Recommend latter be immediately requested order my telephone Juarez reconnected. Embassy and Consulate, Chihuahua, advised of pertinent portions.

Dow

812.00/22826 : Telegram

The Consul at Ciudad Juarez (Dow) to the Acting Secretary of State

EL PASO, *June 17, 1919, 9 p.m.*
[*Received June 18, 9 a.m.*]

Unofficial reports indicate about 225 Villistas were killed in or near Juarez June 15 and 16. American troops killed about 100. They brought to United States 100 horses of bandits. Remaining 125 Villistas killed by Mexican troops under General Francisco Gonzales. Have today urged latter to send immediately troops to Casas Grandes. This place should have at least 500 men to protect 500 Americans in that vicinity. Juarez quiet today and no important ill feeling against the Americans on part of Mexican people there. Embassy advised.

Dow

102569—34——41

812.0144/151

The Secretary of State to the Mexican Ambassador (Bonillas)

WASHINGTON, *August 26, 1919.*

EXCELLENCY: I have the honor to acknowledge the receipt of your note No. A–4596, under date of August 21st,[40] informing me by direct instruction of your Government that it has learned that forces of the United States Army have invaded Mexican territory in pursuit of the captors of the aviators Davis and Patterson, who had landed at Falomir Station in Chihuahua at a distance of one hundred and twelve kilometers from the frontier. You further state that as the entry of said troops constitutes a violation of the national sovereignty of Mexico, you protest in the name of your Government against such act, and ask that the United States order the immediate withdrawal of its troops.

In reply I have the honor to inform you that the Mexican Government was immediately notified of the capture of these American officers by bandits, and requested to take steps to obtain their prompt release unharmed. As it seemed evident that the Mexican Government was unable to accomplish this, a ransom had to be paid to the captors in order to save the lives of these American citizens. Furthermore, since it appeared that the Mexican Government had taken no effective measures to hunt down these bandits, a detachment of American troops entered Mexico in pursuit of them.

The attention of the Mexican Government has been repeatedly called to the menace to the lives of American citizens growing out of the lawless conditions existing in many parts of Mexico, and especially along our border. The Mexican Government has had ample time and warning to adopt adequate measures to restore orderly conditions. The Government of the United States cannot be expected to suffer the indefinite continuance of existing lawless conditions along its border, which expose its citizens to maltreatment at the hands of ruffianly elements of the Mexican population, which their Government seems unable to control, and which have undoubtedly been encouraged to continue their acts of aggression against citizens of the United States by reason of the immunity from punishment for such acts which they have enjoyed.

No violation of the national sovereignty of Mexico was intended by this expedition. It was despatched upon the hot trail of the bandits in question with the sole object of punishing them for their mistreatment of officers of the American Army, and of preventing future activities of a similar nature upon our frontier. This object, having been accomplished as far as was possible in the circumstances,

[40] Not printed.

orders have been issued for the return of the troops to American territory.

Accept [etc.]. ROBERT LANSING

812.0144/158 : Telegram

The Consul at Chihuahua (Stewart) to the Secretary of State

CHIHUAHUA, *August 29, 1919, 5 p.m.*
[*Received August 30, 2.56 a.m.*]

My August 29, noon.[41] Presence American planes yesterday over city has caused more ill feeling here than recent crossing of border by American troops after bandits, because the people feel that yesterday's incident was without cause and a needless affront. Ambassador not advised.

STEWART

812.0144/165

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. E–4421 WASHINGTON, *September 1, 1919.*

EXCELLENCY: It has been reported to my Government that during the afternoon of the 28th of August, 1919, two aeroplanes of the United States which came from and afterward returned in the direction of Ojinaga flew over the city of Chihuahua and although this is the first time that U.S. aeroplanes flew over that city, they are known to cross the boundary line of the two Republics daily.

And, in compliance with instructions received from my Government, I have the honor to bring the foregoing to Your Excellency's knowledge and to ask that you kindly use your good offices in having the facts complained of duly investigated in order that those found guilty be punished and repetition of violations like those above stated be prevented.

I duly thank Your Excellency [etc.] Y. BONILLAS

812.0144/162 : Telegram

The Consul at Chihuahua (Stewart) to the Secretary of State

CHIHUAHUA, *September 3, 1919, 10 a.m.*
[*Received 4.45 p.m.*]

For the second time within a week two American air planes flew over Chihuahua September 2, 4 p.m. causing deep resentment but so far no demonstration. Embassy advised.

STEWART

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[41] Not printed.

812.0144/172

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. E–4447 WASHINGTON, *September 5, 1919.*

EXCELLENCY: My Government has received reports to the effect that on the 2nd of this month four aeroplanes of the United States of America flew over the city of Chihuahua.

And I have the honor, under instructions received from the Department of Foreign Relations of Mexico to bring the foregoing to Your Excellency's knowledge with a request that you kindly call to the attention of the proper authorities of your Government the frequency of those unwarranted violations of the territory of Mexico to the end that the needed steps be taken to remedy such abuses.

I have no doubt that Your Excellency will be greatly pleased to receive with your accustomed efficacy [*attentive consideration*] the just request here made, for which I duly thank you in advance.

I take [etc.] Y. BONILLAS

812.0144/169 : Telegram

The Consul at Chihuahua (Stewart) to the Secretary of State

CHIHUAHUA, *September 5, 1919, noon.*
[*Received 6 p.m.*]

For the third time since August 28th two American air planes flew over city this morning causing embarrassment to members of the American colony because of frequency of flights. Will make no further reports unless instructed. Embassy advised.

STEWART

812.0144/169 : Telegram

The Acting Secretary of State to the Consul at Chihuahua (Stewart)

WASHINGTON, *September 8, 1919, 3 p.m.*

Your September 5 noon reporting two American airplanes over city of Chihuahua. War Department promises to issue strict orders against repetitions. Continue your reports as heretofore.

PHILLIPS

812.0144/178

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. E–4479 WASHINGTON, *September 13, 1919.*

EXCELLENCY: For the third time war aeroplanes of the United States Army flew on the 5th instant over the City of Chihuahua

thereby arousing the natural indignation of the inhabitants and authorities.

Under special instructions from my Government, I have the honor to bring the foregoing to Your Excellency's knowledge and again drawing your attention to the unpleasant frequency with which such occurrences are repeated, I beg you to urge upon the authorities concerned the just necessity of stopping those unwarranted abuses.

Trusting that Your Excellency will see fit to take appropriate action, I thank you in advance with pleasure therefor and renew [etc.]

Y. BONILLAS

812.0144/184

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. E–4534 WASHINGTON, *September 23, 1919.*

EXCELLENCY: With reference to Your Excellency's note of August 26, last, and in compliance with instructions received to that effect from the Department of Foreign Relations of my country, I have the honor to say that my Government does not accept the criterion set up in that note, as no foreign force has any right to enter Mexican territory on any excuse without the permission of the Mexican authorities, and to do so without meeting that requisite, no matter what cause is invoked constitutes a violation of the Sovereignty of Mexico.

I take [etc.] Y. BONILLAS

812.00/23124

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2441 MEXICO, *September 30, 1919.*
[*Received October 9.*]

SIR: With reference to previous Embassy despatches giving extracts from President Carranza's message [42] read at the opening of the Mexican Congress on the first instant, I have the honor to submit, as being of possible interest to the Department, the following translation of that portion of the message [43] which narrated the incidents connected with the Villa attack on Ciudad Juarez on June 15, 1919, and the subsequent crossing of the border by American forces in pursuit of the Villa forces.

The Executive ordered the formation of two columns of infantry to reenforce the border town (Ciudad Juarez), one of which was to march to Piedras Negras and from there through Texas to Ciudad

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[42] For extracts from section of message dealing with foreign relations, see pp. 531 ff.

[43] From the section dealing with the War and Navy Department.

Juarez, and the other from Nogales, Sonora, also across American territory; but the Government of the White House did not grant the necessary permission and the town was protected by its garrison only, some thirteen hundred men of the three arms. On the fourteenth of June at midnight the enemy numbering one thousand attacked Ciudad Juarez and, after a hard fight, the loyal forces had to withdraw to Fort Hidalgo to reorganize. At 4 A.M. of the following day, General Gonzalez (Commander of the Mexican Federal Forces) made a counter attack with magnificent results, driving the enemy from his positions, killing eighty, among them a "general" who was completely identified, and taking thirty-eight prisoners. The commander mentioned awaited a second attack by the enemy, and 12:15 P.M. of the same day the Villistas made a new assault on the town and the Government forces again withdrew to Fort Hidalgo. The enemy took possession of the center of the town.

At 8:30 P.M., General Gonzalez reported that, after an energetic fight, the enemy had been driven from the town and that the victory of the Government forces was complete. The losses were eighty-seven dead, three wounded and forty-five prisoners. Our troops lost twenty-three wounded and seven dead, among the first being Colonel Gonzalo Escobar. On withdrawing from the town of Juarez, the enemy intentionally fired towards El Paso, doubtlessly with the intention of provoking an international conflict. This nefarious purpose was accomplished, because the American forces of General J. B. Erwin entered our territory in pursuit of the bandits. General Gonzalez prudently withdrew his forces to Fort Hidalgo in order to inform higher authority of the passage of American forces and to await orders, but not without previously sending a note to the American commander that he evacuate the national territory. The United States General had a conference with General Gonzalez at which it was agreed that the foreign troops should leave our territory within twenty minutes, and by 11:30 of the same day[45] our territory was free of them. For merit in this action, Colonel J. Gonzalo Escobar was promoted to the next higher grade.

I have [etc.] GEORGE T. SUMMERLIN

812.0144/200

The Mexican Ambassador (Bonillas) to the Secretary of State

[Translation]

No. E–4670 WASHINGTON, *October 25, 1919.*

EXCELLENCY: It has been reported to my Government that on the 23rd of this month, at eleven a.m., an army aeroplane from Douglas, Arizona, flew at a height of about eight hundred meters above Nogales, Arizona, near the boundary line. The crew fired a machine gun several times, and some of the bullets carried as far as Nogales, Sonora, one hitting a dwelling where it luckily caused no bodily injury.

[45] June 16, 11.30 p.m.

Under instructions received to that effect from my Government, I have the honor to bring the foregoing to Your Excellency's knowledge with a request that you kindly use your good offices to have the facts investigated and suitable punishment brought upon those who may be found guilty.

I take [etc.] Y. BONILLAS

812.0144/216

The Acting Secretary of State to the Mexican Ambassador (Bonillas)

WASHINGTON, *December 26, 1919.*

EXCELLENCY: With further reference to Your Excellency's note No. E–4670 of October 25, 1919, concerning a report to the effect that on October 23rd the crew of a United States Army Aeroplane fired into the town of Nogales, Sonora, I have the honor to say that I am now in receipt of a communication from the branch of this Government to which the matter was referred stating that a careful investigation fails to disclose such an occurrence on October 23rd. I am officially informed, however, that a Lieutenant in the Air Service of the United States Army is being tried by a General Court Martial on the charge of having fired into the town of Nogales on October 19, 1919.

Accept [etc.] FRANK L. POLK

PROTECTION OF PERSONS AND PROPERTY OF AMERICANS AND OTHER FOREIGNERS [46]

Reports of Murders, Injuries, and Depredations—The Catron and Jenkins Cases—Representations of the United States—Good Offices of American Consuls for the Protection of Chinese

812.00/22516

The Consul at Chihuahua (Stewart) to the Acting Secretary of State

No. 149 CHIHUAHUA, *February 8, 1919.*
[*Received February 15.*]

SIR: I have the honor to submit for the information of the Department the following report on conditions as they now appear in this district.

In a recent despatch [47] I reported in detail the visit, on January 22nd, of Francisco Villa to the mining camp of Santa Eulalia, only

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[46] The greater part of the correspondence relating to this subject is not printed, as it deals with similar incidents and proceedings, and is mostly inconclusive. For previous correspondence concerning the protection of Americans and American interests, see *Foreign Relations*, 1918, pp. 667 ff. See also President Carranza's message, pp. 531 ff.

[47] No. 139, Jan. 27 (File No. 312.115Am3/197); not printed.

15 miles from this city, and the fourth important point struck by him in the past four months.

As is Villa's custom he began to gather his forces toward the end of the summer, when men had finished their farm work, and was sufficiently strong by September 21st to enter and loot the city of Jimenez—the important railroad junction in the Southern part of this state. He worked north until, on October 22, 1918 near Villa Ahumada (now called Villa Gonzalez), he seized the following Americans, E. F. Knotts, A. B. Smith and A. M. Tenney. The two last named were released October 29th while Knotts was held until November 15th. About November 24th, Villa entered and looted Villa Ahumada and cut the railroad between Juarez and Chihuahua. A short time thereafter, on December 19th he entered and looted Cusihuiriachic, the location of several American mining properties, the most important, belonging to "The Cusi Mining Company". The few American employees, being warned, left the camp. The General Superintendent of the above mentioned company stated that he felt very fortunate that the Company's losses amounted to only about $10,000 when, with one box of dynamite, Villa could have destroyed all the Company's machinery and closed down the mine for a year or more. Villa burned several thousand cords of the Company's wood and explained to the people, in his characteristic way, that he burned the wood so that the company would have to buy more thus helping "his people". Finally, as stated above, Villa entered Santa Eulalia on the 22nd of last month.

A glance at the map shows that Villa has been striking in all parts of this State and at important centers. That he is continually growing in strength is evidenced by his accomplishments of the past four or five months. He has not been hard pressed by the Federal troops, now under the command of General Jesus Agustin Castro, and formerly under General Francisco Murguia, for many months and as a consequence the bandit's life in this State, being relatively safe and for this and many other reasons attractive, has appealed to so many until to-day there must be, in addition to the five or six hundred associated with Villa, Martin Lopez, Nicolas Fernandez, several hundred other roving bandits throughout the State robbing and killing and making life, outside the larger centers, very unsafe.

Villa's greatest handicap, acknowledged recently to the writer by General Castro, appears to be the obtaining of ammunition although it is heard on all sides, in army circles and out, that Villa gets all the ammunition across the border that he needs while there are others who state that his supply is only limited by the funds at his disposal. It is the opinion of the writer that, because of restrictions due to the war, the past two years have been difficult ones for the

smuggling of ammunition and that Villa would be much stronger to-day had it been less difficult for him to secure arms and ammunition from the United States. On the other hand he has not been using a great deal during the past year and if he has been really steadily smuggling it across, even in small quantities, he must have considerable stored against the time when he feels strong enough to attack Parral or Chihuahua.

The opinion has long been held that, Villa is able not only to enter towns and mining camps at will but also to destroy important mining and smelting property including the large, valuable smelting plant belonging to the American Smelting and Refining Company, which is located only five miles from this city. However, notwithstanding this belief, Villa's coming into Santa Eulalia and threatening to return unless, by March first some arrangement has been made with him by the mining companies, has greatly lowered the morale of American and other foreign employees who are convinced that, as he has often before made and kept his threats, he will keep his word this time and return to the camp. There is naturally much apprehension and conjecture as to what will be Villa's next move—where he will strike next. In order to be on the safe side all foreign employees have, since Villa's visit, been sleeping in Chihuahua and going up to the mines each day. Of course this plan means that ore stealing, now very common, will be carried on on a much larger scale. The operating plan of the Smelter is going to be changed also and, instead of a few of the Americans living at the plant as at present, all will return to town each night and in addition the offices of the company will be removed to Chihuahua. By taking all possible precautions and by insisting upon sufficient garrison for protection, the companies hope to be able to continue operating.

Americans recently taken and released by Villa feel that if not time, then policy, has somewhat softened his attitude toward them. Once again in command of a considerable force, Villa no doubt has renewed hopes of not only receiving steady contributions from the companies but also, and what is very important to him, recognition as a political factor to be reckoned with and not a mere bandit. Working along this line of thought it should be noted that Villa is now, whenever the opportunity presents itself, addressing the mine and farm laborers telling them to claim their rights and demand more wages, at the same time pointing out to them that their brothers in the United States, for similar work, are receiving several times the amount they are getting.

Notwithstanding Villa's recent considerate treatment of them, Americans and others are entertaining no false hopes of his future

attitude towards them in case they should again fall into his hands. If, however, no Americans are killed and the companies continue operating then it will be said that Villa has again established friendly relations with the Americans and is not only receiving ammunition from the United States but also obtaining money from American companies. Comments of Villa's changed attitude towards Americans are already very common.

Regarding the efforts of the Mexican government to cope with Villa and his followers I believe there is justification in the belief that General Castro, now in charge of the troops, is honest in his desire to exterminate Villa and that he may succeed. Upon his arrival here, about two months ago, he talked very encouragingly and yet cautiously, letting it be known that he found the troops in an unpaid and generally demoralized condition and that his first efforts must be devoted to housecleaning and reorganizing. At the end of two months all are agreed that, although he has not yet started an active campaign against Villa, he has at least made marked progress in weeding out, by the score, "business officers" and telling some of the worse offenders that they are worse than Villa in their shameless looting and thieving. Whether the discharge of so many officers will work to the advantage of the enemy is not known but it is the opinion of the writer that it will not.

According to all reports General Castro is seeing that his troops are paid promptly whereas formerly they remained unpaid for months and when they were given compensation it was often in the form of extra rations of corn, sugar or rice which the soldiers sold for what they could get. He is stopping all needless expenditures and is paying for all supplies purchased thus gaining the confidence of the business men of this and other smaller cities who are now feeling more secure about bringing in stocks of foodstuffs and other goods.

The writer has had numerous long conversations with General Castro and he has always shown great willingness to talk freely and frankly regarding the military situation. He says that with his reorganization plans about completed he soon hopes to start an active campaign by establishing throughout the state 5 or 6 sub-quartels, each well supplied with horses, to be used as relief and supply stations in pursuing the enemy. Trenches and barbed wire entanglements are now being constructed around this and other important cities the idea being to release for campaign purposes a large number of troops now engaged in garrison duty. Whether General Castro will be able to secure, as he hopes, sufficient horses and money to carry out his plans remains to be seen.

During my last conversation with General Castro he mentioned one thing which does not fit in with his extended and elaborate plans for the future. He told me that President Carranza did not send

him here indefinitely and that, as General Murguia was only granted a leave of absence, there was the possibility that he would return here. The rumor has been persistent for several weeks that General Murguia is to return to Chihuahua. Such a move would, of course, be very unpopular here among all those sincerely interested in the pacifying of the state.

If General Castro is allowed to remain in command here and begins, as he promises, an active campaign in the very near future then Villa will be so occupied as to allow the mining companies to continue operating and employing several thousand men. If, on the other hand, General Castro merely confines his efforts to an endeavor to keep Villa from attacking cities and villages, then the smelter and mines will close and laborers, being unemployed, will swell Villa's forces. The latter might then try to secure the aid of Felipe Angeles if for no other reason than to secure his assistance in obtaining arms and ammunition. Succeeding, it might not then be long before there was once again launched a formidable movement in this section of the Republic.

In respectfully submitting the above it is hoped that a fairly accurate idea of present conditions has been given.

I have [etc.] J. B. STEWART

812.00/22514 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *February 19, 1919, 3 p.m.*

1876. The Department informed that bandits have recently been operating apparently with impunity in vicinity Tapachula, Chiapas, and other points in that State, and that in the course of their operations they have killed at least two foreign residents.

Bring to attention of foreign office and urge emphatically that prompt steps be taken to apprehend and punish these murderers and put an end to the lawless conditions prevailing in that section.

POLK

812.00/22570

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 1850 MEXICO, *February 28, 1919.*
[*Received March 18.*]

SIR: Referring to the Department's telegraphic instruction No. 1876 of February 19, 3 P.M., I have the honor to enclose herewith, copy and translation of a note,[48] dated February 24, 1919, received from the Mexican Foreign Office, stating that just as soon as the representations of the Embassy were received in regard to the assassi-

[48] Not printed.

nation of the two foreigners in the vicinity of Tapachula, Chiapas, the matter was referred to the respective authorities for appropriate action.

I have [etc.] GEORGE T. SUMMERLIN

812.00/22740 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *May 29, 1919, 6 p.m.*

2021. Department has been informed that on May 23 Yaqui Indians raided vicinity of Ontagota Block 32, subdivision of Richardson Construction Company, Yaqui Valley, killing a German settler and seriously wounding one American, and that most of the troops previously stationed in Valley have been removed therefrom. Remaining troops are said to be preparing to leave while farmers in Valley are trying to harvest six thousand acres of wheat.

Promptly acquaint Foreign Office with situation and urgently request that sufficient military forces be permanently stationed in Yaqui Valley for protection of American lives and property.

POLK

812.00/22863

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 2085 MEXICO, *June 14, 1919.*
[*Received June 26.*]

SIR: With reference to the Department's telegraphic instruction No. 2021 of May 29, 6 P.M., relative to the raid, by Yaqui Indians, on the property of the Richardson Construction Company, I have the honor to report that the Mexican Foreign Office in a note dated June 11, 1919, received by the Embassy on the thirteenth, states the appropriate authorities advise it that the necessary order[s] have been issued to the end that adequate protection be afforded the property in question, and that a competent detachment of troops be stationed there.

I have [etc.] GEORGE T. SUMMERLIN

812.00/22826 : Telegram

The Acting Secretary of State to the Consul at Ciudad Juarez (Dow)

WASHINGTON, *June 18, 1919.*

Your June 17, 9 p.m.[49]

Urgently renew your request that adequate force of troops be sent to Casas Grandes district for protection Mormon colonies and advise

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[49] *Ante*, p. 559.

Department whether these colonies are in any immediate danger from attacks by Villistas.

POLK

812.00/22893

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 2123 MEXICO, *June 27, 1919.*
[*Received July 14.*]

SIR: With reference to the Department's telegraphic instruction of June 7, 4 P.M.,[50] relative to the protection of the American Mormon Colonies in the Casas Grandes District, I have the honor to report that the Embassy is today in receipt of a second note from the Foreign Office, dated June 24, 1919, which states that the military authorities have been instructed by telegraph, to afford due protection to American citizens and their properties at Casas Grandes and in the Mormon Colonies.

I have [etc.] GEORGE T. SUMMERLIN

812.00/22935

The Consul at Guaymas (Yost) to the Acting Secretary of State

No. 106 GUAYMAS, *July 19, 1919.*
[*Received July 28.*]

SIR: I have the honor to report that, despite the much heralded campaigns against the rebellious Yaqui Indians in the State of Sonora, and the hope and belief of many residents that a certain degree of safety had been established, the Indians in various parts of the State are again resorting to robbery and murder.

On July 15, near the station of Willard, a few miles South of Hermosillo, a band of Yaquis attacked a group of Mexican travelers, killing two and seriously wounding another. Troops were sent in pursuit, but as usual, the Yaquis escaped to the mountains before the arrival of the troops.

About ten days ago two wood-choppers were tortured and killed by Yaquis near Aranjuez Ranch, 5 miles west of Guaymas.

On July 15 two peddlers were murdered by Yaquis in the same locality. Little attempt has been made to follow the Indians although a small garrison is established at Aranjuez. The city of Guaymas has no military protection. The stealing of cattle, mules, horses, crops, etc., in this community are common occurrences, and as a consequence, practically all the ranches have been abandoned.

According to accounts of passengers arriving at Guaymas from the South, on the morning of July 15th a band of about 200 Yaquis surrounded and attacked the town of Potam, about 60 miles South

[50] Not printed.

of Guaymas, on the Southern Pacific Railway of Mexico. Aided by armed civilians, the small garrison at that place succeeded at first in keeping the Indians at bay, but in a later attack they reached the town and, following their barbaric instinct, they plundered and looted everything they could carry away. Many of the residents then fled from the town. According to newspaper accounts the losses were as follows:

Dead: Pablo Valencia and Tomas Valenzuela, civilians; Sergeant Lucio Leyva and private Cirilo Choqui.
Wounded: Miguel Lobomea and two women, civilians.

According to some sources of information, the losses were a great deal heavier among both civilians and soldiers. One informant claims that at least 30 soldiers were killed. Casualties among the troops in the Yaqui campaigns are seldom truthfully reported.

General Juan Torres, Chief of Operations at La Misa, ordered a special train from Ortiz with the 17th Batallion of infantry, and from Esperanza came another train with 200 men in command of Colonel Guillermo J. Nilson. These troops arrived at the scene of the fight at 6 in the evening; but as is usually the case, the Yaquis had already escaped with their loot into the mountains to the East. It is not known if the Indians will be pursued.

The American colony in the Yaqui River Delta has not been attacked recently, and the wheat crop was safely harvested and shipped. However, the settlers are constantly on the alert, for raids may occur at any unexpected moment.

I have [etc.] B. F. Yost

412.11–Catron, Hiram/Orig. : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

Washington, *July 21, 1919, 3 p.m.*

2104. Consul at Tampico telegraphs Department under date of July 15th that he has already informed Embassy that American citizen, Peter Catron was shot to death by bandits near Valles, San Luis Potosi, on or about July 7th. Supplementing such representations as you may have already made under standing instructions, you will formally urge upon the Mexican Government the capture and punishment of those responsible for this murder, and the adoption of adequate measures to prevent a recurrence of the murders of American citizens. You will further state that should the lives of American citizens continue to remain unsafe, and these murders continue by reason of the unwillingness or inability of the Mexican Government to afford adequate protection, this Government may be forced to adopt a radical change in its policy with regard to Mexico.

Phillips

412.11–Catron, Hiram/Orig. : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *July 30, 1919, 11 a.m.*
[*Received July 31, 3.50 a.m.*]

3084. The following is a translation of a note just received from the Foreign Office dated July 28th in reply to my note of 22nd instant supplementing representations already made relative to Catron murder in compliance with your instructions 2104, July 21, 3 p.m.

"In reply, I have the honor to state that the fact that offenses against the lives of citizens of the United States have occurred in the territory of the Republic cannot be notoriously attributed to unwillingness give protection. The willingness to furnish this protection has been expressed repeatedly and the material difficulties in the way of fulfilling a promise, supposing that it is not fulfilled, should not be confused with unwillingness to do so, especially as this willingness had been demonstrated by acts.

Moreover if we consider the protection of human life in absolute terms, that is to say, if in every case and wherever a citizen of the United States may be within Mexican territory he should enjoy special and effective protection to a degree such that his life may never be placed in danger, it is not possible for the Government of Mexico to do this because so perfect a condition of security exists nowhere. With all the more reason is this true, considering the great territorial extent of the Republic, its scanty population, and the difficult conditions which prevail after a long civil war.

The Government of Mexico has always endeavored as far as possible to give full security to the lives of foreigners as well as of its nationals, but the fact is that foreigners, through ignorance, the lack of prudence, or rash eagerness for profit, venture to remain or to travel in dangerous regions, thereby incurring the risk of becoming the victims of offenses and even trusting to escape offenses because of their being foreigners.

It should be remembered moreover that always when the Government of Mexico has had knowledge of an offense it has pursued the presumably guilty parties; the pursuit in such a case surely is not the same as that ordinarily made in cities in the case of ordinary crimes, because the circumstances are different in a populous community. In the latter it is relatively easy to identify the guilty party, while in uninhabitated places the band which committed the offense is located and pursued, is overtaken and as many as possible are killed without generally being able to identify the really guilty party because even within the band of offenders itself it is impossible to determine as might be supposed which projectile of a volley caused a murder. The recent Correll case prove[s] that the Mexican Government following this procedure, which is the only possible one, is displaying the greatest activity, because immediately after this murder was reported forces left in pursuit of the band and killed four of the villains.

The Mexican Government has been constantly preoccupied with the pacification of the Republic and as a first step has destroyed the principal rebel groups and has conquered the most notorious leaders as is demonstrated by the conclusion of the recent Villa movement, the death of Zapata, of Blanquet, and Ines Davila, without mentioning the operations against groups of minor importance. A necessary consequence of this progress in the labor of pacification is the existence of some bands, the weak remains of the large groups.

The Mexican Government has been, and continues, animated by the best of intentions to eliminate all those difficulties which might disturb its good relations with the Government of the United States and has so proven on repeated occasions. If the Government of the United States wishes its citizens to enjoy greater protection, the Mexican Government, anxiously desiring as ever a good understanding between both governments, suggests the desirability that citizens of the United States concentrate in the populous places where complete guarantees may be offered them and that these citizens, when they find it necessary to visit the dangerous zones, request sufficient forces for their protection, which will be furnished by the Mexican authorities.

In the Tampico region the paymasters of the petroleum companies have been offered escorts [to] accompany them for the safe transportation of funds, and the companies have refused on the pretext that the presence of the escort precipitates the attack of the rebels or that the individuals of the escort do not conduct themselves properly. These are unfounded assertions. Moreover the relation which has existed between those same petroleum companies and the rebels is notorious, it being also suspected that there may have been cases in which the paymasters were in accord with the supposed assailants. The Mexican Government, in order to demonstrate once more its willingness to furnish complete protection, has already formally promised to reimburse the sums which might be taken from the paymasters notwithstanding the presence of the escort, and if this last offer is not accepted the consequences will be the exclusive fault of those same interested parties.

I believe I have made clear the true situation and the possibility of the Mexican Government giving daily increasing means of protection to life and property as it evidently has done and its undeniable desire to secure every class of guarantees within the national territory. In view of these facts, the menace embraced in your note has surprised the Mexican Government, all the more so since it seems strange that it should be exacted that even in depopulated regions human life should be protected in a more perfect manner than in the most populous cities of the most cultured countries where bloody crimes often occur without the respective governments thereby becoming the object of severe observations."

SUMMERLIN

812.00/22935

The Secretary of State to the Chargé in Mexico (Summerlin)

No. 1043 WASHINGTON, *August 1, 1919.*

SIR: The Department encloses herewith a copy of despatch, No. 106, dated July 19, 1919, from the American consul at Guaymas,[52] giving an account of various murders and depredations recently committed by Yaqui Indians in the State of Sonora.

You are instructed to bring the serious situation depicted in the Consul's despatch to the attention of the Mexican Foreign Office, and to request that energetic measures be adopted to protect American lives and properties in the section where the Yaquis are operating.

I am [etc.]

For the Secretary of State:
BRECKINRIDGE LONG

312.11/8770: Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *August 31, 1919, noon.*
[*Received 11 p.m.*]

3157. Department's telegram 2151 August 12 [*13*], noon.[53] Since Ambassador Fletcher assumed charge of Embassy 811 notes have been sent to Foreign Office making representations concerning personal injuries to or invasion of rights of American citizens in Mexico as follows: 1917, personal injuries 40, depredations 75, invasions of property rights other than depredations 106; 1918, [personal] injuries 80, depredations 85, invasion of property rights other than depredations 110; 1919, personal injuries 119, depredations 132, invasion of property rights other than depredations 64.

SUMMERLIN

812.032/62

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2338 MEXICO, *September 2, 1919.*
[*Received September 11.*]

SIR: With reference to that part of President Carranza's report on Foreign Relations, read before the Mexican Congress on the first instant, relative to the successful activities of the Mexican authorities against the murderers, kidnappers and assailants of American citizens in Mexico,[54] I have the honor to invite the attention

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[52] *Ante*, p. 571. [53] Not printed. [54] *Ante*, pp. 538 ff.

of the Department to the following cases, mentioned in the report, in which it appears, in so far as the records of the Embassy show, that nothing has been accomplished by the Mexican authorities towards the apprehension and punishment of the responsible criminals:—

1. "*La Espada*". This was the kidnapping case of a Mr. Thomson, who was released, presumably, after the payment of ransom. The records of the Embassy do not show that the Mexican authorities were responsible for this release, nor do they show that any effective measures have been taken by them looking to the apprehension and punishment of the bandits in question.

2. *The Cheyenne Case.* The local press has announced that arrests have been made, but no official confirmation has been received by the Embassy.

3. *Correll Murder.* No confirmation of the local press reports as to the capture of the murderers has yet been received.

4. *Shipley Kidnapping Case.* The records show that the release of this American was due to the action of the Company employing him in sending the ransom money demanded directly to the bandits. The authorities did nothing to effect his release nor has the Embassy been advised of any effective measures taken by the authorities to bring about the capture and punishment of the kidnappers.

5. *Thompson Kidnapping Case.* This American youth was released by the bandits before the ransom money had been paid. No reports have been received as to the apprehension of the kidnappers.

6. *The Catron Murder.* No arrests have been reported, despite the fact that the names and locations of several persons who are believed to have been implicated were furnished by the Embassy.

In connection with the local press statements in regard to the reported arrests of murderers and assailants of American citizens, I have the honor to report that I have been advised by the Acting Minister for Foreign Affairs not to accept them unless and until they have been confirmed by the Foreign Office—even when such notices have been made public by the Chief of Staff of President Carranza.

It will be observed by the Department that no mention is made in President Carranza's report of the twenty other American citizens who have been murdered in Mexico since June, 1918.

I have [etc.] GEORGE T. SUMMERLIN

312.93/182

The Chinese Chargé (Yung Kwai) to the Secretary of State

MEMORANDUM

During the last few years internal disorders in Mexico have been such as to render life and property unsafe for Chinese citizens in many parts of that country.

At the request of the Chinese Legation, the Department of State has been good enough to send instructions to American Consular officers in various parts of Mexico to use their good offices to protect Chinese citizens in time of need.[55] In recent months the situation in Mexico seems to have grown worse, and many outrages have been committed upon Chinese residents.

In pursuance of instructions from his Government the Chinese Chargé d'Affaires begs to request that fresh instructions be sent to American Consular officers in Mexico to afford protection to Chinese citizens in case of necessity; and he desires to thank the Department in advance for its kind compliance with his request.

WASHINGTON, *September 24, 1919.*

312.93/182

The Secretary of State to the Chinese Chargé (Yung Kwai)

WASHINGTON, *October 1, 1919.*

The Secretary of State presents his compliments to the Chinese Chargé d'Affaires, and, referring to his memorandum of September 24, 1919, relative to protection for Chinese citizens in Mexico, has the honor to inform the Chinese Chargé d'Affaires that all American Consular Officers in Mexico have been telegraphically instructed, in cases of necessity, to exercise their informal good offices with local Mexican authorities in behalf of Chinese citizens in their Districts seeking protection.[56]

812.00/23169

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2473 MEXICO, *October 10, 1919.*
[*Received October 24.*]

SIR: In connection with my despatch No. 2418 of September 24, 1919,[57] I have the honor to report that in Note 003336 dated at Cuatro Ciénegas, September 25, 1919, received to-day, the Foreign Office says, in translation, the following:

"With reference to your courteous Note No. 1347 of the 4th instant, regarding depredations said to have been committed by Yaquis in the vicinity of Guaymas, Sonora, I have the honor to state that the appropriate authorities report that a little over two months ago, a small band of Yaquis, composed of from 12 to 15 individuals, was

[55] See *Foreign Relations*, 1913, pp. 916–923; 1914, pp. 896–900; 1915, pp. 1087–1096; 1916, pp. 795–797; and 1917, pp. 1088–1092.
[56] Circular telegram, Sept. 30, 1919; not printed.
[57] Not printed.

operating in the neighborhood of the Aranjuez ranch; that this place is over fifteen kilometers from Guaymas, and that troops were sent opportunity to pursue the rebels in question, and sufficient detachments were distributed to protect all that region."

I have [etc.] GEORGE T. SUMMERLIN

125.61383/118 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *October 21, 1919, 11 a.m.*
[*Received October 22, 9.10 a.m.*]

3272. *Excelsior* alone published today in large headlines and in detail circumstances surrounding capture of Consular Agent Jenkins at Puebla as follows:

On night of 19th three masked men entered Jenkins factory, gagging and tying watchman. Jenkins worried about non return of watchman went to factory where the masked men forced him to open safe from which they took approximately 60,000 pesos. Mrs. Jenkins hearing cries of her husband then appeared on the scene, was told substantially following by leader of outlaws: that they were rebel chieftains and would kidnap Jenkins for purpose of bringing difficulties between Carranza Government and United States: that they demanded 300,000 pesos ransom payable by Mexican Government, not accepting the money from Mrs. Jenkins; that Jenkins would be unharmed if they were not pursued but could give no assurances if pursued.

Newspaper states local authorities have done little or nothing and that story [was] brought by special messenger to avoid telegraph censorship.

SUMMERLIN

125.61383/120 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *October 21, 1919, 5 p.m.*
[*Received October 22, 8.34 a.m.*]

3230. The Acting Minister for Foreign Affairs informed me this morning that the Government will take all possible measures to effect the release in safety of Consular Agent Jenkins.

SUMMERLIN

125.61383/120 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *October 24, 1919, 6 p.m.*

2259. Your 3230, October 21, 5 p.m.

You will insist that Mexican Government inform you definitely what steps have been taken to effect release of Jenkins, and inform

Foreign Office that this Government expects Mexican Government to take effective steps to obtain his release unharmed even if payment by Mexico of indemnity demanded be necessary.

PHILLIPS

125.61383/139 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *October 26, 1919, 10 a.m.*
[*Received 9.50 p.m.*]

3242. Confidential. In a telegram dated last night received this morning Hanna [58] reports that in a conference yesterday with the legal representative of Jenkins at which Jenkins appears to have been present Cordoba demanded 300,000 pesos gold and Jenkins agreed because of his critical physical condition. Hanna states that Jenkins is to be released today on the payment of the amount demanded in cash and in drafts provided Jenkins and his friends guarantee with their lives that the drafts will be honored.

SUMMERLIN

125.61383/140 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *October 25 [26], 1919, 7 p.m.*
[*Received October 27, 12.08 a.m.*]

3245. Hanna telegraphed Oct. 26, 4 p.m. that Jenkins had just telegraphed him from within federal lines and soon would be in Puebla. Ransom was carried to rebel lines this morning.

SUMMERLIN

125.61383/158 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *November 3, 1919, 3 p.m.*
[*Received November 4, 1.06 a.m.*]

3256. Your 2259 October 24th, 6 p. m. To my note of October 25, Foreign Office in note dated to-day makes lengthy reply of which following is a summary:

A telegram received from Governor Cabrera of Puebla shows that, notwithstanding repeated representations of friends and relatives of Jenkins not to pursue abductors, the Government has not failed to fulfill its duty in endeavoring to locate offenders, working with prudence and secrecy to conform with those representations and at the

[58] Matthew E. Hanna, Secretary of Embassy, temporarily at Puebla.

same time fulfilling its obligation to maintain order and supply guarantees.

With regard to ransom the note states:

"By instruction of the President of the Republic I have the honor to assure you that not only in this case but also in any other whatsoever which unfortunately has occurred or may occur the Government of Mexico has issued and will issue such instructions as may be necessary amply to guarantee the lives and interests of all the inhabitants of the country, foreigners and Mexicans, and that it will always follow this line of conduct; but that if it be claimed in this or any other case that the Government of Mexico pay any sum as ransom the Government would be confronted by the painful necessity not to comply with such demand, declaring from today categorically that it will not pay ransom for Mr. Jenkins even though it be legally proven in the investigation being made by the authorities of Puebla that the Consul bound himself to pay any amount or that he already has paid some amount. You will easily understand the reasons of defense and morality on which my Government found[s] a statement of this character; even though it recognizes its duty to protect foreign lives and interests in the country, it thinks that such protection should be the same as that which its nationals enjoy and it is known that it never has been claimed of any government that its duty of vigilance and protection extends to assuring it individually to each inhabitant since this would be impossible. By offering to pay these ransoms in order to overcome all difficulties the government, by such an evidence of good will, instead of stopping these crimes would provoke them by awakening covetousness with its liberality and would open its doors to fraudulent combinations of sure results and for this the establishment of an understanding or agreement between a foreigner and Mexican criminals, or simply the latter devoting all their activities to the consummation of acts such as the one of which Mr. Jenkins was the victim would be sufficient. The Mexican Government cannot lend itself to facilitating these immoral acts when its first duty is to act within and compel respect for the laws. What it is disposed to do in this and in any other case is to guarantee to the victims through the courts the payment of the indemnities to which they may be entitled in accordance with our civil and criminal legislation.

"This decision is moreover based on antecedents well known to them [*you*] which are recorded in the history of international law. Very seldom in fact and only when conditions exist which are not found in the present case has government paid ransom; but no country, including the United States, would agree to pay them as a principle or rule.

"The Mexican Government is pursuing the authors of the crime and believes their capture possible and in case the amounts which it is said were stolen from Mr. Jenkins or those which he may have paid as ransom are recovered you may be sure that they will be returned immediately to their owner since this is one of the first measures which should be taken in conformity with our penal law.

"Hoping that the Government of Washington will recognize the justification with which the Government of Mexico is proceeding as well as its determined wish for the friendly arrangement of all matters which occupy the attention of the two Governments."

SUMMERLIN

125.61383/158 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *November 8, 1919, 1 p.m.*

2281. Your 3256.

Department is unable to give full consideration to Mexican Government's contention in Jenkins case, and in the matter of payment of ransoms in general, until copies of your note of October 25 and Mexican Foreign Office's note in response thereto, have been received. You will therefore forward copies of these notes.

Meantime you will informally advise Foreign Office that Department's 2259, October 24, the substance of which it is understood you presented to the Mexican Government grew out of a very unusual situation in the United States as a result of the kidnapping of Jenkins, in which the American public took the keenest interest. The feeling of resentment here was so general and so deep that it appeared to be reaching a point which threatened the good relations existing between the two countries. For had Jenkins been harmed or suffered from longer detention, the condition of affairs here might have grown beyond control. In the interest, therefore, of Americans and Mexicans alike, it was necessary that immediate action should result in the release of Jenkins unharmed. In these circumstances the Department suggested that the Mexican Government take effective steps to obtain his release unharmed even if payment by Mexico of indemnity demanded be necessary. It is clear that this expression, when considered in the light of surrounding circumstances, does not indicate either that it is expected that Mexico should pay generally ransoms demanded by bandits, or that Mexico was under any legal obligation to pay ransoms as a rule or the ransom in this particular case. The views of the United States on these points were not presented or discussed. In this view of the matter it would seem that a discussion of the general question of the payment of ransoms or of the responsibility for their payment which is taken up by the Mexican Government in its note of November 3, is not called for by the Embassy's note of October 25. The main point of the Embassy's representations was to impress the necessity of taking prompt, effective, and all possible measures to secure the release of Jenkins unharmed. Happily the release of Jenkins has been

obtained without the payment of ransom on the part of the Mexican Government, and the object of the urgent representations of this Government has been accomplished without entering into a consideration of the principles mentioned in the Mexican Note of November 3, as to which the United States specifically reserves an expression of its views.

LANSING

125.61383/172 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *November 14, 1919, 3 p.m.*
[*Received November 15, 10 p.m.*]

3275. Mrs. Jenkins has just telegraphed that her husband was imprisoned in Puebla today. Jenkins and Mestre [59] report that evidence on which arrest was made is false and was extracted from persons testifying by threats of death.

SUMMERLIN

125.61383/175 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *November 16, 1919, noon.*
[*Received 7.26 p.m.*]

3277. Jenkins telegraphs that he was released without bail after two hours detention in penitentiary and is now restricted to his home. In a signed statement published in local press today prosecuting attorney [of] Puebla says Jenkins is guilty of criminal responsibility and giving false evidence and has been transferred to his home to avoid recurrence of recent illness.

SUMMERLIN

812.00/23202

The Secretary of State to the Chargé in Mexico (Summerlin)

No. 1198 WASHINGTON, *November 17, 1919.*

SIR: I am in receipt of your despatch No. 2568 of November 5, 1919,[60] quoting a despatch dated October 23, 1919, from the American Consul at Guaymas, acknowledging the receipt of your communication of October 10th, with which you enclosed, for the information of the Consul, a copy of a note from the Mexican Foreign Office [61] explaining the action of the Federal troops after the Yaqui Indians raided the outskirts of Guaymas in the month of August.

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[59] Attorney for Mr. Jenkins.
[60] Not printed.
[61] See despatch of Oct. 10 from the Chargé in Mexico, p. 577.

The Consul states that as far as is known at Guaymas the band that committed the atrocities was not pursued by the troops in question, and that since the date of the raid referred to two more Mexicans have been murdered by the Yaquis about a mile to the north of Guaymas, the Indians escaping across the hills unmolested.

You are instructed to bring the report of the renewed activities of the Yaquis to the attention of the Foreign Office, pointing out the danger therefrom to American lives and properties in the Guaymas district, and to request that effective measures be taken to prevent further depredations by these Indians.

The Consul at Guaymas is being informed of this instruction.

I am [etc.]

For the Secretary of State:
WILLIAM PHILLIPS

125.61383/182 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *November 19, 1919, 9 p.m.*
[*Received 11.22 p.m.*]

3287. A telegram just received from Mrs. Jenkins states that her husband has been taken to the penitentiary again.

SUMMERLIN

125.61383/182 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *November 23, 1919, 3 p.m.*

2302. Your November 19, Jenkins' rearrest.

State to the Foreign Office that in view of the losses and hardships already suffered by Jenkins as a result of his abduction arising through the failure of the Mexican Government to extend adequate protection and his first arrest by the Mexican authorities, the Government of the United States is surprised and incensed to learn that he has again been imprisoned. His rearrest seems to this Government from the evidence in its possession entirely unwarranted and an arbitrary exercise of public authority. You will add that continued persecution or further molestation of Jenkins cannot but have a very serious effect upon the relations between the two countries, for which the Mexican Government will be solely responsible.

You will therefore request Jenkins immediate release, unless he shall have been released previous to the receipt of this telegram.

LANSING

125.61383/202 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *November 26, 1919, 4 p.m.*
[*Received November 27, 3.25 a.m.*]

3311. The following is a translation of Foreign Office note dated today referred to in my telegram 3310, November 26, 2 p.m.[62]

"Mr. Chargé d'Affaires. I am instructed by the President of the Republic to reply in the form in which I am doing to note number 1533 [*1535*] of November 20 which you addressed to the Mexican Government under instructions from the Department of State of the United States.

"I must not conceal from you that the attention of the Mexican Government has been called strongly to the fact that no legal foundation, no principle or precedent of international law, and not even a reason were invoked in demanding the immediate liberty of Mr. Jenkins who, as you know, is at the present moment placed under the authority of a judge in the city of Puebla. The Mexican Government does not see what foundation there may be for such a demand; it believes that it may not be solely the strength of the country which makes it, inasmuch as the United States has characterized itself by its desire expressed on various occasions that right and justice should be the motto of its diplomacy and respect for weak countries the basis of its international relations on the continent; and prefers to attribute the terms of the note to which I reply to an imperfect knowledge of our penal laws.

"The imprisonment of Mr. Jenkins is neither unjustified nor arbitrary as your note asserts. He himself having rendered and signed contradictory testimonies concerning the abduction of which he was the victim, the judge has had sufficient cause for supposing him to be responsible for the crime of rendering false judicial testimony, and this has merited his imprisonment. However this imprisonment does not in itself signify that Mr. Jenkins is culpable as this can only be established by a final judgment.

"You are aware that in Mexican penal procedure there are three classes of imprisonment: the preventive, when it is suspected that a person is criminally responsible in a crime; the formal, when there is sufficient evidence against the accused in the opinion of the judge to suppose him to be responsible for the deed; and ordinary imprisonment or the one imposed by a final sentence as a punishment properly so-called for the duly proven crime and culpability of the accused. The first two classes of imprisonment are not legally penalties but simply restrictions on the liberty of the accused as a means of investigating the truth. The sentence may also establish the innocence of the accused. Mr. Jenkins suffered preventive detention and 72 hours later formal imprisonment. This is the reason for his having been re-arrested, and this is the circumstance which appears to be considered by the Government of the United States as a persecution or as a series of molestations being unjustifiably inflicted on the Consul.

[62] Not printed.

"During the course of the prosecution the accused may at any time request and obtain his liberty under bail. Mexican law is very liberal in granting it, the request and deposit of the amount fixed by the judge sufficing. Mr. Jenkins, by refusing to exercise this right notwithstanding that he has been invited repeatedly to do so and that the judge has fixed as bond the sum of 1,000 pesos, cannot strictly speaking call himself a victim of molestations which he voluntarily inflicts upon himself, and furthermore he is being held in prison with all the attentions and comforts compatible with his condition.

"He being therefore subject to a prosecution which is being conducted in accordance with the dictates of law under the authority of a judge whose acts are not secret but are under the constant vigilance of public opinion which is interested in having the truth become known in this matter, the Mexican Government finds itself unable to grant the demand for liberty contained in the note under reply and it is supported by strong reasons founded on the law of nations and considerations of a Constitutional nature. Under the former it considers that no government may make a diplomatic reclamation in favor of one of its subjects in foreign countries excepting in the cases of denial of justice or of a notoriously unjust sentence which is also under international law a case of denial of justice, and that the practice has invariably been followed of waiting till the tribunals handling a case concerning a foreigner have pronounced judgment, which I repeat, should it be notoriously unjust would be the sole basis on which a representation could be made. As regards the Constitutional point of view our political Constitution [63] establishes as a fundamental principle the separation of the attributes of the executive power and those of the judicial department, and therefore the Executive is not empowered to interfere in matters pertaining to the latter. Likewise the autonomy of the states is guaranteed by our Charta, and by virtue of the federative structure of the Mexican Republic the federal power cannot intervene in matters which, like that of Mr. [Jenkins], corresponds properly and exclusively to the authorities of the State of Puebla. For this reason the Executive could not issue orders to the judge handling the case to have Mr. Jenkins placed at liberty since that official would with reason refuse to obey the same in case it were given and the Executive would thus violate the first principle of government with which he has always endeavored to comply, that is to say, respect of, and securing respect for, the laws of the country. Very well. This conduct, in the opinion of the Mexican Government, cannot affect unfavorably the friendly relations which happily exist between Mexico and the United States, above all as the case is one of so simple a nature in which by complying with so small a requirement, Mr. Jenkins would be placed at liberty, since the equal application to nationals and foreigners alike of the laws of each of the two countries can never be the cause of friction between those countries.

"In the United States, on some occasions, Mexican consuls have suffered imprisonment for deeds coming under the scope of the laws and of the authorities of the country; and the Mexican Government,

[63] *Foreign Relations*, 1917, pp. 951–981.

even though in its opinion such imprisonment was unjustified, has never permitted itself to make the slightest suggestion looking to the non-application in each case of the laws of the United States, inasmuch as its practice has invariably been to respect the laws of other countries and it does not claim that Mexicans abroad should make of their Mexican citizenship a title for exceptions and privileges.

"Neither in the United States nor in Mexico may any citizen under prosecution be liberated by an order emanating from the Executive, and it would be strange that in Mexico an American citizen should have greater rights than those he has in his own country or greater than those which a Mexican citizen has in Mexico. Neither can the Government of Mexico concede to American citizens greater rights than those enjoyed in the United States by Mexicans.

"The Government of the United States appears to act under the conviction that Mr. Jenkins is absolutely innocent notwithstanding the fact that this matter is in the course of investigation. The Mexican Government, without attempting to claim that Mr. Jenkins is culpable, limits itself to submitting the foregoing considerations to the United States trusting that the Department of State will postpone its judgment until the tribunals have pronounced their sentence, being assured that the officials of the Mexican Government have no intentions of causing molestations or persecutions to Mr. Jenkins but solely a sincere desire to act with justice.

"This opportunity [etc.] (Signed) H. Medina"

SUMMERLIN

125.61383/202 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *November 29, 1919, 7 p.m.*

2319. Your 3311, November 26, 4 P.M., Jenkins' case.

You are instructed to make immediate reply to the note of the Mexican Government, dated November 26, 1919, textually in the following language:

I have not failed to transmit to my Government the note of the Mexican Government dated November 26, 1919, with reference to the case of William O. Jenkins, American Consular Agent, at Puebla, and I am now in receipt of a reply from the Government of the United States which I am instructed immediately to transmit to you.

The Government of the United States declines to be drawn into a juridical discussion of irrelevant matters or unimportant incidents brought forward in connection with this case. The Mexican Government can not be misled, as it intimates, by the citation by the United States of "no principle or precedent of international law, and not even a reason" for Jenkins' release; for obviously no such citation is necessary for the enlightenment of a government of the present day. The Mexican Government believes, and rightly so, that the American request for Jenkins' release is not based on "solely the strength of the country which makes it"; for it knows

the request is founded on the justice of the right of an American citizen and United States Consular Officer to fair treatment while residing and discharging his duties within Mexican jurisdiction with the knowledge and approval of the Mexican Government. The Mexican Government may contend that the imprisonment of the victim is necessary for the investigation by a judge under the "constant vigilance of public opinion" of the truth regarding his abduction and that a right of release on bail is a palliative for such wrongful imprisonment, but the United States is constrained to the opinion that such arguments are mere excuses. The Government of the United States invites and desires the fullest possible examination and investigation of this case, but it cannot admit that it is necessary in order to ascertain the facts that Mr. Jenkins should be retained in prison even with the privilege of applying for bail. My Government will not and is satisfied that Mr. Jenkins will not place any obstacle in the way of a complete and full examination of himself or his witnesses, or of the events leading up to and connected with his abduction. The Mexican Government prefers to attribute the American note to an imperfect knowledge of the Mexican penal laws and proceeds to explain with refinement the intricacies of Mexican penal proceedings. But the Government of the United States fails to discern in their application to this case at the hands of Mexican authorities any approximation to impartial treatment of Jenkins, and the Mexican Government knows the absence of such treatment is the reason for the American request.

The Mexican Government maintains that it cannot grant the request of the United States for Jenkins' release for the reason that under international law no diplomatic intervention is appropriate unless a denial of justice has occurred and because the Mexican Government is not in a position to demand Jenkins' release in view of the separation of the executive and judicial powers under the Mexican form of Government and the independence of the State Courts, by one of which Jenkins is held. The succinct answer to this contention is, as everyone knows, that a denial of justice has already taken place, and also because the Mexican Constitution specifically gives the Federal tribunals jurisdiction of "all cases concerning diplomatic agents and consular officers".

The United States is not to be driven by such subtle arguments into a defense of its request for the release of Mr. Jenkins. It is for Mexico to show cause for his detention, not for the United States to plead for his liberation. Stripped of extraneous matter, with which the Mexican note of November 26, endeavors to clothe it, the naked case of Jenkins stands forth: Jenkins, a United States Consular Agent, accredited to the Government of Mexico is imprisoned for "rendering false judicial testimony," in connection with the abduction of which he was the victim. This is the substance of the Mexican note.

My Government is pleased to learn that the imprisonment of Jenkins stands on this single, and well-defined ground, and that the reported statement that Mexican authorities had caused the imprisonment of Jenkins because of collusion with his abductors and rebellion against the State are not seriously regarded by your Government.

In whose interest then is the charge of false swearing brought against Jenkins? His abductors? He is in equity the complainant in the case of his abduction, not the defendant, as the Mexican Government now makes him out to be. The Mexican Government is prosecuting the victim instead of the perpetrators of the crime. While the outlaws, who endangered his life and took away a large part of his fortune, enjoy their freedom, the Mexican authorities now deprive Jenkins of his liberty. Moreover, the ground expressed for the imprisonment of Jenkins, namely, that he is supposed "to be responsible for the crime of rendering false judicial testimony" must be taken—and my Government directs special attention to this point—as merely an expression of opinion on the part of the Mexican Government as it is entirely unsupported by evidence. There is not produced any of the testimony rendered by him, or any extracts from such testimony tending to show the correctness of this opinion. The Mexican Government can not expect the United States to accept in the grave circumstances of this case such a bare unsupported statement as a valid excuse for the imprisonment of an American Consular Officer, particularly in view of the fact that the investigation of the case by the representatives of the United States in Mexico, so far as it has proceeded, fails utterly to support this opinion of your Government. On the contrary the investigation gives the Government of the United States every reason to believe that Mr. Jenkins has not knowingly given any false testimony in respect of vital points in his case, although he has been harassed by Mexican authorities to give such testimony, even while lying in the hospital too weak and exhausted to make them as a result of his treatment by the abductors, and while he knew evidence was being obtained against him through intimidation of witnesses. So stands the single, unsupported, and my Government believes utterly unfounded, ground alleged for Jenkins' imprisonment.

What conclusion is to be drawn from such a reply of the Mexican Government, other than there has been a studied effort on the part of Mexican authorities to ensnare Jenkins in the intricacies of legal proceedings by alleging the commission of technical offenses, and by bringing unsupported charges against him, for a purpose: in the first place, to divert the attention of the American public and the American Government, and indeed of Mexicans themselves, from the actual situation, namely that Puebla, the capital of the State of Puebla, and perhaps the second largest city in Mexico, is without adequate protection from outlaws who infest the immediate neighborhood and who were accustomed openly and freely to visit the city without hindrance, that by the failure to furnish adequate protection in this district the Mexican authorities have, through their negligence, made possible the abduction of Jenkins, and that in harmony with such an attitude on the part of the Mexican authorities they have failed to carry out the duty and obligation incumbent upon them to apprehend and punish the bandits concerned in the crime of which Jenkins was the victim. And in the second place it appears to have been the purpose of the Mexican Government to assume a wilful indifference to the feelings of the American people that have been aroused to the point of indignation by the exposure, hardships, and physical suffering endured by

Jenkins during his abduction and his subsequent treatment at the hands of Mexican authorities.

In view of the considerations which have been set forth and in view particularly of the belief of my Government that the charge against Jenkins of deliberate false swearing is unfounded, the Government of the United States must renew its request for the immediate release of Consular Agent Jenkins from further imprisonment.

. . . . . .

LANSING

125.61383/251 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *December 5, 1919, 10 a.m.*
[*Received 3.52 p.m.*]

3339. Jenkins advises that he was released from penitentiary at midnight last night without being informed as to the reasons therefor. He stated that he is investigating and will report.

Today's *Democrata* published a telegram from Puebla stating that Jenkins obtained his liberty through a check for $500 on the Guarantee Trust Company drawn by J. Salter Hanson, an American citizen, and that Mr. Hanson was the one who requested Jenkins release on bail and made all arrangements. *Democrata* also published a telegram addressed to that paper by the attorney general of Puebla stating Jenkins was released after 1,000 pesos had been deposited.

SUMMERLIN

125.61383J41/9 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *December 17, 1919, 10 a.m.*
[*Received 6.30 p.m.*]

3367. The following is a translation of the Foreign Office note dated December 16th left at the Embassy at 8 o'clock a.m. today.

Mr. Charge d'Affaires. With reference to note number 1556 of November 30 last which you transmitted to the Mexican Government by instruction of the Government of the United States, relative to the case of Mr. Jenkins, I have the honor to communicate to you by direction of the President of the Republic that the Mexican Government in answering that note will limit itself solely to considering some of the principal points which it contains without entering into a thorough examination of its arguments, only for the purpose of fixing certain necessary antecedents for its international jurisprudence and in order that its conduct may be perfectly justified before public opinion, because due to Mr. Jenkins having obtained his liberty under bail deposited in the court of Puebla by an American

citizen it believes that all reason for misunderstanding between the two countries has disappeared and that the case of Mr. Jenkins assumes an aspect entirely different from that which it had prior to that act.

The Government of the United States declares that it refuses to enter into a judicial discussion of the various questions growing out of the Jenkins case. The Mexican Government believes on the contrary that it is not inadequate to discuss questions of law in a matter which is judicial by its very nature and from any point of view from which it may be considered; and if this Department in its former note brought forward certain points in some detail it is because the Mexican Government believes that the complete exposition of the Jenkins case is its best defense and conclusive proof of the legality of its acts.

The final paragraph of the note to which I reply, wherein the demand is renewed for the immediate release of Mr. Jenkins, is based " particularly " on the belief of the Government of the United States that the charge against Mr. Jenkins of false swearing is unfounded. Now the mere belief of the Government of the United States in the innocence of Mr. Jenkins is not sufficient under the Mexican laws to establish absolutely such innocence and to have any legal effects and the Mexican Government cannot accept this view point as a sufficient basis for withdrawing a foreign citizen from the application of the authority of the Mexican tribunals. The belief of the Government of the United States undoubtedly arises from information received on the subject, information which—apart from the value it may have and which this Department does not consider expedient to discuss—lacks the guarantees of impartiality which by their very nature are afforded by the Mexican tribunals, and that information therefore does not fulfill the requirements of absolute proof in accordance with Mexican penal procedure. The Mexican Government cannot admit that American citizens be tried and absolved on the basis of mere information of the Department of State, nor upon recommendations or suggestions of the United States, instead of by its tribunals and under its laws.

The Puebla judge having granted the release of Mr. Jenkins whose case is now being studied by the highest tribunal of the Republic to decide who is the competent judge that should try him, the Mexican Government permits itself to hope that the incident will no longer disturb the good harmony which it sincerely desires shall exist between the people of Mexico and the United States.[64]

I am [etc.] Signed H. Medina.

This note was made public by Foreign Office last night and is published in full [in] today's papers.

SUMMERLIN

[64] The outcome of the case was reported by Mr. Jenkins in a telegram of Dec. 4, 1920, forwarded by the Chargé on the same date: " Federal Judge rendered decision in my case this morning declaring that all proof against me had disappeared and placing me in [*at*] liberty canceling my bond. I have certified copy of his decision which I will deliver to you Monday." (File No. 125.61383J41/75.)

PROTECTION OF AMERICAN OIL INTERESTS[65]

Extension of the Period for the Denouncement of Oil Claims—Circular Requiring Payment of Royalties in Accordance with Laws and Decrees Protested by the United States—Refusal of Drilling Permits Except on Compliance with Protested Regulations; Orders to Stop Operations Begun without Permits—Offer of Provisional Permits on Condition of an Undertaking to Comply with Provisions of the Law Eventually to be Passed—Denouncement by Third Persons of Properties Leased by Americans—Protests and Representations of the United States

812.6363/422

The Ambassador in Mexico (Fletcher) to the Acting Secretary of State

No. 1703 MEXICO, *January 8, 1919.*
[*Received January 18.*]

SIR: I have the honor to transmit herewith to the Department, the official text, with translation, of an Executive Decree dated December 27, 1918, providing for an extension of the period in which denouncements of oil claims manifested in accordance with the Decree of July 31, 1918,[66] shall be made, this period to be extended until such time as the Congress enacts the new Petroleum Law.

I have [etc.] HENRY P. FLETCHER

[Enclosure—Translation]

Executive Decree of December 27, 1918, Extending the Period for the Denouncement of Oil Claims[67]

I, VENUSTIANO CARRANZA, Constitutional President of the United Mexican States, to the inhabitants thereof, know ye:

That in use of the extraordinary powers in the treasury conferred upon me by the Congress of the Union by the Law of May 8, 1917, and,

CONSIDERING: That on November 22nd, last, the Executive in my charge sent to the Congress of the Union, through the Department of Government, the bill[68] relative to the Organic Law of Article 27 of the Constitution[69] in reference to Petroleum; and inasmuch as the period prescribed by the Decree of November 14th, last,[70] for the making of denouncements of oil claims manifested in accordance with the Decree of July 31 of the present year, is about to expire, it is necessary to extend that period until such time as the Congress of the Union enacts the Petroleum Law;

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[65] Continued from *Foreign Relations*, 1918, pp. 687–792.
[66] *Ibid.*, p. 752.
[67] *Diario Oficial*, Jan. 6, 1919.
[68] *Foreign Relations*, 1918, p. 772.
[69] *Ibid.*, 1917, p. 955.
[70] *Ibid.*, 1918, p. 771.

THEREFORE, I have seen fit to decree the following:

SOLE ARTICLE: The period prescribed by the Decree of November 14, 1918, for the making of denouncements of oil claims manifested in accordance with the Decree of July 31 of the same year, is extended until such time as the Congress of the Union enacts the Petroleum Law.

I, therefore, order this to be printed, published, distributed, and given due compliance.

GIVEN at the Palace of the Executive Power of the Union, in Mexico, on the twenty-seventh day of December, one thousand nine hundred and eighteen.

V. CARRANZA

The Acting Secretary of Hacienda,
in Charge of the Office
RAFAEL NIETO

812.512/2307

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 1842 MEXICO, *February 25, 1919.*
[*Received March 7.*]

SIR: I have the honor to report that the Treasury Department issued a circular dated February 18 [*19*], 1919, published by the press today, the substance of which is as follows:

["] In conformity with Article Six of the Law of July 31, 1918 on petroleum lands and contracts this Department has decided that [the] royalty tax referred to in Articles Three, Four and Five of the said Law, Forty-seven and Three of the Decrees of the eighth and twelfth of August, last,[71] respectively, corresponding to *bimestre* of January and February, shall be paid in cash by taxpayers at the corresponding tax office, in conformity with Circular No. 49 of October 1, last,[72] on the understanding that if the royalty is specified in kind in the respective contracts same shall be valued as provided in Article 11 of the Law of July thirty-first for payment in cash as follows:

Oil of density 0.91—per ton ..... 15.00 pesos

(Decreasing 20 centavos for every 1/100 increase in density: and increasing 40 centavos for every 1/100 decrease in density. Includes oil of 0.97 density.)

Oil of density greater than 0.97—per ton 6.00

Reduction for pipe-line transportation cost on basis of two centavos per ton-kilometer."

I have [etc.] GEORGE T. SUMMERLIN

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[71] *Foreign Relations*, 1918, pp. 759 and 766, respectively.
[72] Not printed.

812.011/68 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *March 4, 1919, 11 a.m.*
[*Received 10.14 p.m.*]

1987. Governor Mireles of Coahuila and Roberto Pesqueira Mexican financial agent El Paso offered banquet yesterday to American journalists in Mexico City. Pesqueira spoke saying he quoted words of Luis Cabrera [73] and they would be accepted as official. He stated Mexico does not intend to make article 27 of Constitution retroactive; that petroleum, mining and other interests acquired prior [to] promulgation [of] Constitution would be fully respected; that Mexico desires no foreign loan as revenues now sufficient to cover expenditures and it is expected they will increase sufficiently soon to permit payment of interest on foreign indebtedness; that just claims of foreigners and Mexicans for damages caused by revolution would be paid in full.

SUMMERLIN

812.512/2307 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *March 18, 1919, 6 p.m.*

1921. Your despatch 1842, February 25.

Referring generally to objections previously urged by this Government against Mexican petroleum decrees, protest against attempt apparently contemplated by circular February 18 [*19*] to collect royalties from American petroleum interests.

POLK

812.6363/433 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *March 22, 1919, noon.*
[*Received 9.06 p.m.*]

2021. In view of information that petroleum companies, particularly those which refused to make manifestations prescribed in decree of July 31, 1918, have been drilling wells without proper permission, the Department of Industry has issued a circular published in the press today threatening to punish companies and individuals as prescribed in the decree issued by the First Chief January 7, 1915 [74] for drilling wells or doing other petroleum development work

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[73] Mexican Minister of Finance.
[74] *Foreign Relations*, 1915, p. 872.

past or future without permission of the Federal Executive required by the last mentioned decree.

SUMMERLIN

812.6363/444 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *April 11, 1919, 6 p.m.*

1962. Confidential. Following from Fletcher for Summerlin: Since I have been in the Department I have endeavored to secure more liberal treatment of Mexico with respect to shipments of arms, munitions and raw materials for their manufacture, and I am succeeding in this respect. The refusal of the Mexican Government to grant our oil companies permits to drill, if persisted in, will serously interfere with my efforts. In carrying out instructions contained in Department's telegram of today,[75] I would suggest that in addition to taking the matter up informally at the Foreign Office, you should see Cabrera, and acquaint him with the situation and endeavor to enlist his cooperation in securing at least provisional permits to drill. Bonillas has promised to telegraph Carranza personally recommending favorable action in regard to securing provisional permits. Should the Mexican Government prove obdurate, it will encounter difficulty in securing further shipments of arms and munitions.

POLK

812.6363/433 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *April 11, 1919, 7 p.m.*

1963. Your 2021, March 22, noon.

Address Foreign Office substantially as follows:

The Government of the United States has been informed that on dates mentioned following American petroleum concerns have been denied permission to undertake or continue upon lands owned or leased by them new work specified:

Huasteca Petroleum Company, August 21, 1918, to drill Chinampa well No. 4;
Transcontinental Petroleum Company, August 24, 1918, to drill well;
International Petroleum Company, October 21, 1918, to continue drilling well;
New England Fuel Company, January 9, 1919, to continue work on tank;

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[75] *Infra.*

International Petroleum Company, January 17, 1919, to drill well;
New England Fuel Company, January 19, 1919, to build tank;
Huasteca Petroleum Company, March 1, 1919, to drill Chinampa well No. 5.

Information has also come to the Government of the United States that on January 3 and 23, 1919, the Texas Company and the New England Fuel Company, respectively, were advised by Chief Petroleum Inspector at Tampico of existence of order against issuing to company permits for new work.

Reasons assigned for this prohibition against new work appear substantially to be that interested companies have not recognized alleged right of Mexican Government as asserted in Article 27 of the Constitution and decrees thereafter issued by Mexican Government, to confiscate existing legally acquired property rights in petroleum deposits.

In connection with the denial of the permits referred to, the Government of the United States is informed of the publication by Department of Industry of the Mexican Government, March 22, 1919, of circular [76] threatening with punishment petroleum interests which shall drill wells without permission of the Federal Executive, as prescribed in the Decree issued January 7, 1915.

With reference to last mentioned Decree the Government of the United States is advised that until recently, Decree has been interpreted as an exercise of police power of state designed to insure safety of lives and property. With a Decree issued and enforced for such a purpose, the Government of the United States would be thoroughly in accord, and would expect interested American citizens to yield full compliance.

However, this Government must protest strongly against any efforts by Mexican Government so to construe or apply provisions of this Decree as to bring pressure to bear upon American citizens to recognize any right in the Mexican Government to confiscate legally acquired petroleum interests, either by constitutional provision, or executive decree, or otherwise, and the Government of the United States takes this occasion to renew the protests it has hitherto made to the Mexican Government against the assertion and application of such alleged right and to affirm that it continues to stand upon the terms of those protests, intended for the protection of American citizens.

In this relation the Government of the United States desires to call to the attention of the Mexican Government the right, generally recognized among the nations of the world, of property owners, subject to the reasonable police power of the state, to develop their properties as they may deem appropriate. Applying this rule to the present situation American citizens owning petroleum interests in Mexico in all cases where lives and property of others are not endangered thereby should be granted permission to develop their interests, and it is hoped that this view of the matter will commend itself to the Mexican Government.

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[76] Dated Mar. 20.

Confidential: It is suggested that you may be able to bring about issuance to American citizens of provisional permits to develop their property pending settlement of questions in dispute, which it is hoped will be satisfactorily provided for by future legislation.

POLK

812.6363/445 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *April 16, 1919, 11 a.m.*
[*Received April 17, 5.12 a.m.*]

2051. Confidential. For Ambassador Fletcher. In reply to your telegram of April 11th, 6 p.m., Cabrera expresses desire and willingness to cooperate but states that in view of short time before new legislation may be enacted he considers it not advisable at this time to press for provisional permits for new drilling. However he will endeavor to obtain permission for building new tanks.

SUMMERLIN

812.6363/448 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *April 16, 1919, 5 p.m.*

1969. Inform Foreign Office substantially as follows:

The attention of the Government of the United States has been called to the fact that certain oil properties in Mexico leased by American Companies under Mexican law have recently been denounced by third persons; that American lessees have protested to the Department of Industry, Commerce and Labor against such denouncements and petitioned that no titles or concessions covering the properties in question should issue in consequence thereof; and that in at least one case said Department has required the leasing Company to submit evidence of payment of rental and royalties to the Mexican Government and to couch its protest in the terms stipulated by the decree of August 8, 1918.[78]

It seems quite clear that in these requirements an attempt is being made by the Mexican Government to coerce American Companies into the performance of acts, the results of which would be to admit in advance of the final settlement of the questions at issue the correctness of the contention of the Mexican Government in the matter of ownership of oil deposits, against which the Government of the United States has made solemn protest as threatening confiscation of rights legally acquired by American citizens.

Therefore, the Government of the United States is constrained to renew the protest previously made against this measure of threat-

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[78] *Foreign Relations*, 1918, p. 759.

ened confiscation and to utter a present protest against the attempted coercion of American interests into an admission of the lawfulness of the means which the Mexican Government has adopted in an attempt to put its confiscatory plan into effect.

You will add that it would be regarded by the Government of the United States as very unfortunate were the Mexican Government, pending a final solution of its difficulties with the petroleum interests, to complicate the situation by the issuance to third persons of titles to or rights in lands legally held by American citizens.

POLK

812.6363/445 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *May 3, 1919, 2 p.m.*

1992. Your telegram No. 2051, for Ambassador Fletcher:

Department is awaiting with interest report of result of your representations to the Foreign Office with reference to provisional permits to drill, etc., and notes with regret that Mr. Cabrera seems not disposed to cooperate. Department would be inclined to be less insistent on the Mexican Government's granting provisional permits if there was any assurance that a new petroleum law would be promptly passed which would adequately safeguard the legitimate rights of Americans. Suggest you make another effort to secure favorable action.

POLK

812.6363/456 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *May 7, 1919, 3 p.m.*
[*Received May 8, 3.40 a.m.*]

2076. Your telegram number 1992, May 3, 2 p.m. Cabrera stated this morning that he will endeavor to arrange with the Department of Industry and Commerce for the issuance of provisional permits to drill, etc., but that new wells drilled under such permits should be subject to any new legislation which may be passed. He stated further that arrangements will be made before issuance of permits for erecting tanks, laying pipe lines, etc. He promised me a definite reply in regard to permits for drilling within the next eight days.

SUMMERLIN

812.6363/462 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *June 2, 1919, 5 p.m.*
[*Received June 3, 1.24 a.m.*]

3008. My telegram number 2076 May 7th, 3 p.m. Cabrera now states that nothing can be done in regard to provisional permits to drill until after return of General Calles, the Secretary of Industry and Commerce, about June 20th.

SUMMERLIN

812.6363/469

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 2063 MEXICO, *June 3, 1919.*
[*Received June 12.*]

SIR: With reference to the Department's telegrams No. 1921 of March 18, 6 P.M. and No. 1969 of April 16, 5 P.M. instructing the Embassy to protest against the circular issued by the Department of Hacienda on February 19, 1919, in regard to the proposed collection of royalties from petroleum companies and against the possibility that denounced concessions might be granted to third persons, I have the honor to forward herewith copy and translation of a note received from the Foreign Office dated May 29, 1919, the substance of which was sent the Department in the Embassy's telegram No. 3006 June 2, 3 P.M.[79]

I have [etc.] GEORGE T. SUMMERLIN

[Enclosure—Translation]

The Mexican Acting Secretary of State for Foreign Affairs (Garza Pérez) to the American Chargé (Summerlin)

No. 1691 MEXICO, *May 29, 1919.*

MR. CHARGÉ D'AFFAIRES: I have the honor to acknowledge the receipt of your notes dated March 20 and April 21 of the current year which you were good enough to send this Department, in accordance with instructions from your Government, protesting against the Circular issued by the Department of Hacienda on the nineteenth of February, last, in connection with the collection of royalties from the petroleum companies and against the possibility that concessions might be granted to third persons who have denounced petroleum properties rented by American companies.

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[79] Not printed.

The Government of Mexico sincerely deplores the fact that the American companies have ill advisedly failed to comply with the laws which the former issued on the exploitation of petroleum, since they could have done so under protest and with the reservations that they might have considered compatible with their interests, and could have appeared before the proper authorities, requesting a detailed study of the question so that it might be decided in justice and according to law.

Consequently, if the situation of the petroleum companies is complicated by the denouncements made by third persons, the companies mentioned are doubtless the only ones to blame, since it must be evident to your clear judgement that the protests of a foreign nation cannot suspend the effects of the laws issued by the Government of another nation.

I renew [etc.] E. GARZA PÉREZ

812.6363/476

The Consul at Tampico (Dawson) to the Acting Secretary of State

No. 716 TAMPICO, *June 10, 1919.*
[*Received June 25.*]

SIR: I have the honor to refer to my telegram of June 9/4 P.M.[80] advising receipt by General Caesar Lopez de Lara of an order to stop drilling operations on wells started without first securing the requisite permit from the Mexican government.

I now beg to enclose herewith, Spanish Text and English translation of the official document under which this order was issued. It is believed by the oil companies that the Mexican government is making this move as the first overt act in its effort to carry out the provisions of Article 27, and as an earnest of the Government's intention to put said article into full effect despite all contrary protests. The Companies are well aware of the declarations made from time to time by Mexican officials to the effect that the government has no intention to confiscate the properties of foreigners. No one here is deceived by these promises and the specious declarations of good intention conveyed therein, and the referred to order is now submitted as concrete evidence of the truthfulness of this assertion.

Please refer to the second paragraph of the Spanish text, translation of which is as follows:—

"Inasmuch as the political constitution now in force declares that the beds and deposits of oil which are found in the subsoil of the national territory are the property of the Nation; and as the said Constitution denies to the foreign companies the right to obtain

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[80] Not printed.

concessions to exploit those mineral combustibles until they organize themselves according to Mexican laws; and finally, as the generality of the foreign companies have not been willing to subject themselves to the dispositions contained in the decrees of the Executive relative to the taxes on oil lands and leases; this, (the Executive Power, Tr.) in all justice and meanwhile [*until*] the Petroleum Law is issued by Congress, has refused to grant permits tending to drill with the purpose of extracting oil to different companies and individuals who find themselves in the circumstances above stated."

It seems to me the real policy of the Mexican government is clearly and concisely stated in this paragraph, and there is little reason to doubt the intention of that government to force recognition of said obnoxious article and its provisions, against which the several oil companies as well as our own and other governments protest vigorously. In this order is found documentary evidence which specious verbal promises cannot nullify.

The immediate effect on some companies of the cessation of drilling will be to seriously hamper their business. One company in particular which has contracts for Mexican oil with the United States Shipping Board, advises that recent developments in the oil fields clearly indicate the approaching exhaustion of the most prolific of the oil districts—that of the Tepetate field. This company's production comes from two wells in that field; one of these wells, I am told, has turned to salt water, and the other is in such close proximity that they fear similar development within a very short time. To protect themselves against possible exhaustion they applied for permit[s] to drill other wells, which were not granted because the Company had not complied with the regulations emanating from Article 27.

Precisely for the same reason several other companies are drilling wells without government permits. In no case has this been done arbitrarily or with the idea of questioning the government's legitimate police powers, but only in pursuance of their policy to do everything they believe they are legally entitled to do, and to emphasize their non-recognition of and unwillingness to comply with any and all governmental acts or dispositions based on and growing out of Article 27 of the Constitution of 1917 insofar as said acts or dispositions refer to properties acquired prior to May 1, 1917.

In pursuance of this policy they concede the government's right to require permits as a police power and on that basis duly applied for same; but when said permits were withheld on the ground that the applicants had not recognized Article 27 of the Constitution, they believed their rights were infringed and acted accordingly, proceeding with development work as necessity arose.

While dictating the above, word comes that military forces have actually shut down work on a well being drilled at Panuco by the Mexican organization of the Atlantic Refining Company, (an American concern); and that other troops have gone south to carry out the order in the southern oil fields.

Here is an example of the use of government troops in the performance of police powers *against* foreign interests. Requests for guarantees by the use of government military forces against bandits and banditry are evaded on the score that soldiers cannot be used to perform police duties—see my despatch 689 of May 8, 1919.[81]

Doubtless the Department is already in receipt of complaints from the main headquarters of American oil companies in the United States against this new act of the Mexican government.

I have [etc.] CLAUDE I. DAWSON

[Enclosure 1—Translation [82]]

The Mexican Acting Secretary of Industry, Commerce, and Labor (Vasquez Schiaffino) to the Mexican Acting Secretary of War and Navy

Subject: He is advised of the resolution of the Citizen President of the Republic to suspend the drilling of oil wells which is being carried on by some companies without permit from the Executive Power. It is requested of him that the military forces lend their aid to the petroleum inspectors with the purpose of suspending such operations and there are suggested to him the means and form in which the procedure must be carried out in cooperation with this Department.

Inasmuch as the Political Constitution now in force declares that the beds and deposits of oil which are found in the subsoil of the national territory are the property of the Nation, and as the said Constitution denies to the foreign companies the right to obtain concessions to exploit those mineral combustibles until they organize themselves according to Mexican laws, and finally, as the generality of the foreign companies have not been willing to subject themselves to the dispositions contained in the decrees of the Executive relative to the taxes on oil lands and leases, this [the Executive Power], in all justice and until the petroleum law is issued by Congress, has refused to different companies and individuals who find themselves in the circumstances above stated permits to drill with the purpose of extracting oil.

But some oil companies, disobeying the general dispositions of the Government, and even against the expressed and definite pro-

[81] Not printed. [82] Substituted for file translation.

hibition of this Department, dictated as the result of a resolution of the Citizen President of the Republic, have begun to drill wells to extract oil from the subsoil of the lands of which they are the owners and of those which they have under lease in the regions of Tepetate and Chinampa, of the Cantones of Ozuluama and Túxpam, in the State of Vera Cruz.

In order to prevent at once such disobedience and violation of the dispositions now in force relative to this matter, the Citizen President of the Republic has deemed proper to resolve that use be made of the public force, and with that object in mind he has seen fit to direct that this Department communicate with the Department of War and Navy in your very worthy charge, as I have the honor of doing today, requesting the assistance and aid of the Federal forces which operate in the Huasteca Veracruzana, that the operations now being unlawfully carried on may be suspended and their continuation prevented.

With this object in view, this Department begs to suggest to you the following:

1. That immediately and by telegraph you kindly issue your orders to the Chief of the Military Operations in the Huasteca Veracruzana, that he arrange with the Chiefs [of Inspectors] of the Agencies of Petroleum in Tampico and Túxpam, whose offices are located at Calle de la Morena Number 20, and Avenida Hidalgo Number 34, Túxpam, Ver., in order that one or two petroleum inspectors, employes of this Department, shall go, on the date agreed on, to the regions of Tepetate and Chinampa, and those other regions where drilling of wells might be in progress without due authorization from the Federal Executive. The said Agencies already have knowledge of the places where these operations must be suspended.

2. That the said Chief of the Military Operations in the Huasteca issue his orders to the respective chiefs of the forces that guard the camps of Tepetate, Chinampa, Juan Casiano, Naranjos, etc., that with the escort which they may deem sufficient they accompany the petroleum inspectors commissioned for this purpose to the different places where the rebel companies are conducting operations related to the petroleum industry without due authorization and that they proceed to suspend immediately such operations.

3. That the said petroleum inspectors, in accordance with the instructions already given them by this Department, make out a record or act of the suspension of such operations, which they will sign in company with the Military Chiefs that accompany them and assist in the suspension of the operations. Of said records copies will be sent to that Department in your worthy charge as well as to this Department.

4. The Military Chiefs that assist in the suspension of the operations being carried on without due authorization, or those who may act for them in the command of the forces of the different regions, will keep guard of the camps and avoid and prevent the suspended operations from being renewed until this Department advises the Department of War and Navy that the operations may be resumed.

and that in turn issues the corresponding orders to the military authorities entrusted with the fulfillment of this resolution of the Citizen President of the Republic.

Thanking you in advance for the orders and dispositions which you may kindly dictate in order to carry out this Accord of the Citizen First Magistrate of the Nation, I take pleasure in reiterating to you the assurances of my attentive consideration and particular appreciation.

Constitution and Reforms. Mexico, May 16, 1919.

The Subsecretary in Charge of Office,
J. VASQUEZ SCHIAFFINO

[Enclosure 2—Translation [83]]

Instructions Issued by the Department of Industry, Commerce, and Labor to the Chiefs of Inspectors of the Agencies of Petroleum in Tampico and Túxpam, May 17, 1919

In order to make clear to you all that relates to the operations which must be suspended, we wish to state that they include all those *which deliberately have as their immediate object* the drilling of oil wells, the installation of pumps and casings for transportation of oil and tanks for its storage, but *not comprising the works which are preparatory* to the establishment of refineries, pump stations, or storage or pipe lines for the installation of which those interested may be endeavoring to secure the appropriate authorization of the Government.

Finally, we recommend to you that in the records to which Clause 3 of the resolution of the Citizen President [84] refers, *there should be stated with the largest number of details possible the state or conditions in which the operations were at the moment of being suspended*,—this in order to be able to verify, in case it should become necessary, the fact that the operations were not continued after having been suspended.

812.6363/463 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *June 16, 1919, 5 p.m.*

2048. Your 3006, June 2, 3 P.M.[85]

Reply to note of Foreign Office substantially as follows:

As the Government of the United States is informed and believes the only Mexican legislation on the subject of petroleum deposits

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[83] Substituted for file translation.
[84] See paragraph numbered 3 of the preceding enclosure.
[85] Not printed; see despatch No. 2063, June 3, p. 598.

with which American Companies have failed to comply is the recent legislation covered by decree of February 19, 1918,[86] and subsequent decrees on the same subject, compliance with which would constitute an admission of the correctness of the contention of the Mexican Government in the matter of ownership of oil deposits, against which the Government of the United States has made solemn protest, which it now renews, as threatening confiscation of rights legally acquired by American citizens.

When it asserted that the American Companies in question could have complied with such legislation under protest and with the reservations that they might have considered compatible with their interests, the Foreign Office apparently failed to take into account the language used by the Government of Mexico in its reply, understood by the Government of the United States to bear date of August 25, 1918,[87] to the contention of the petroleum companies and interested individuals in the case of the *amparos* demanded against the recent decrees of the Mexican Government. Therein, as a further ground for the contention of the Mexican Government that *amparo* was not in order, that Government referred to the "Constitutional Doctrines" to the effect that when an individual has agreed to be governed as regards his property by a certain statute, he may not later raise the objection that said statute violates the constitutional precepts. In this connection the reply of the Executive Branch of the Mexican Government sets forth that some manifestations had been presented "under protest", but that "such protest has no legal effect except in the cases precisely specified in the Laws."

In view of the foregoing the Government of the United States cannot admit that American companies are in any wise blamable for the complication of their situation by reason of denouncements made by third persons, and must reiterate its previous statement that it would regard it as very unfortunate were the Mexican Government, pending a final solution of its difficulties with the petroleum interests, to issue to third persons titles to, or rights in, lands legally held by American citizens.

PHILLIPS

812.6363/470 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *June 16, 1919, 6 p.m.*
[*Received June 17, 12.34 a.m.*]

3025. Your telegrams 2041 June 13, 4 p.m. and 2044 June 14, 2 p.m.[88] The Sub-Secretary of Industry and Commerce informs me that orders have been issued by President Carranza to stop drilling operations in all cases where permits have not been secured. In this connection please see Consul Dawson's mail despatch 716 of June 10th.

SUMMERLIN

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[86] *Foreign Relations*, 1918, p. 702.
[87] Not printed.
[88] Neither printed.

812.6363/470 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *June 18, 1919, 6 p.m.*

2052. Your 3025 June 16, 6 p.m.

On grounds that permits could have been obtained only by compliance with recent legislation, covered by Decree of February 19, 1918, and subsequent Decrees on the same subject, and that such compliance would have constituted an admission of the correctness of the contention of the Mexican Government in the matter of ownership of oil deposits, against which the Government of the United States has made solemn protest, as threatening confiscation of rights legally acquired by American citizens, you will please promptly present protest on behalf of interested American citizens against orders of President Carranza to stop drilling operations in all cases where permits have not been obtained. At the same time, you will reserve all rights of reclamation in favor of American citizens adversely affected by Decree.

POLK

812.6363/474 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *June 20, 1919, 4 p.m.*
[*Received June 21, 11.40 p.m.*]

3033. Department's telegram 1963 April 11, 7 p.m.[89] Foreign Office states in reply that as all laws mentioned are of a general character all companies and persons are equally bound by them and that the Mexican Government cannot make any exceptions.

SUMMERLIN

812.6363/482

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

No. 2108 MEXICO, *June 24, 1919.*
[*Received July 8.*]

SIR: With reference to the Embassy's telegram No. 3008, June 2, 5 P.M.,[90] reporting a statement of the Secretary of Hacienda to the effect that nothing could be done as regards the issuance of provisional permits to drill in the oil district until the return to Mexico City of General Calles, the newly appointed Minister of Industry and Commerce, I have the honor to report that I had an opportunity to take up this question again with Mr. Cabrera on the twenty first instant. He stated that General Calles would not be able to return

[89] *Ante*, p. 594.

[90] *Ante*, p. 598.

to the Capital for several months, but that he (Mr. Cabrera) would take up the question of provisional permits with President Carranza and the Sub-Secretary of Industry and Commerce at an early date. He said he thought "the margin was broad enough" for a satisfactory arrangement of the question, and he left me with the impression that he would endeavor to comply with the Department's desires—both as regards provisional permits to drill, and the revocation of President Carranza's recent orders to stop drilling in all cases where permits have not been obtained.

I shall continue to follow these questions closely.

I have [etc.] GEORGE T. SUMMERLIN

812.6363/488

The Mexican Embassy to the Department of State

[A copy of the following telegram from the Mexican Acting Secretary of State for Foreign Affairs to the Mexican Ambassador, was left at the Department by the Ambassador on July 22.]

MEXICO, *July 21, 1919.*

Referring to your message on the subject: You may inform the Government of the United States that the Mexican Government will authorize the temporary boring of oil wells provided that the interested parties make application to the Department of Industry and Commerce asking for such permits under the formal promise that they will be subject to legislative regulations that may be enacted in the future by the Mexican Government. The Department of Industry and Commerce will issue at once a circular relative to this matter.

(Signed) Chief Clerk of the Department of Foreign Relations.
DIEGO FERNANDEZ

812.6363/506

The Mexican Embassy to the Department of State

[A copy of the following telegram from the Mexican Acting Secretary of State for Foreign Affairs to the Mexican Ambassador, was received at the Department on August 11.]

MEXICO, *August 4, 1919.*

I transcribe to you herewith the Circular issued by the Department of Industry, Commerce and Labor under date of August first–1919:

"Whereas a number of Companies and Individuals interested in the petroleum industry have failed to understand the liberal spirit animating the Federal Executive in issuing the Decrees regarding taxes on petroleum lands and leases, and the advantage of exhibiting

the statements required in the Decree of July 31, 1918,[91] enacted to protect the rights acquired prior to May 1st, 1917, and therefore, failed to present said statements. That as a consequence of the failure to present the statements required, the interested parties were deprived by Article 4th of the Decree of August 12th, 1918,[92] of the right to perform new works of petroleum exploration and exploitation on their own lands as well as on lands leased by them; and, therefore, they are not able to fulfill their previously contracted commercial obligations, as it has been repeatedly communicated by them to the Department of Industry, Commerce and Labor. As the constant tendency of the Government has been to promote the development of the National Petroleum Industry, the President of the Republic has ordered that the owners or concessionaires of rights of exploitation who failed to present the statements prescribed in the Decree of July 31st, 1918 regarding taxes on petroleum lands and petroleum leases, be allowed to undertake works of petroleum exploration and exploitation, provided that, upon the application for the necessary permits from the Federal Executive, said owners and concessionaires bind themselves to accept the precepts of the Petroleum Organic Law, which may be issued by the Nacional Congress. The permits granted by this Department in compliance with the foregoing order, will have a provisional character and must be revalidated in accordance with the Petroleum Organic Law when it is enacted. To obtain said permits for petroleum exploration and exploitation, the applicants are required to exhibit before the Department of Industry, Commerce and Labor, the documents establishing the possession of the lands where said permits are to be used."

The Acting Secretary of the Department of Foreign Relations.
DIEGO FERNANDEZ

812.6363/540

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2331 MEXICO, *September 2, 1919.*
[*Received September 11.*]

SIR: In confirmation of the Embassy's telegram No. 3154 of August 28, 5 P.M.[93] I have the honor to send enclosed text and a complete translation of the Mexican Senate Petroleum bill which was introduced on August 27, 1919.

Special attention is invited to the text of the Senate Committee's report accompanying the bill,[93] (which the Embassy has not had opportunity to translate), in which the new term *dominio pleno* is defined as embracing both *dominio directo* and *dominio util.* In other words, the introduction of this new term appears materially

[91] *Foreign Relations*, 1918, p. 752.
[92] *Ibid.*, p. 766.
[93] Not printed.

to restrict the meaning of *dominio directo* as heretofore used in this connection, and consequently lessens the Mexican Government's powers thereunder.

In an interview given to the local press Secretary Cabrera is reported to have said that the proposed legislation is too liberal and may be easily violated by the petroleum companies, that only those wells which were drilled before the promulgation of the Constitution should be excluded from the effects of the law and that to exclude petroleum lands acquired as such prior to May 1, 1917 means little or nothing because it is very easy for the companies to declare that their intention was to exploit the petroleum deposits. On the other hand, he continued, if only wells in operation on May 1, 1917 are considered as private property it is very easy to determine definitely just what constitutes such property. Acting on this principle the industry will be completely nationalized as soon as wells now producing become inactive, which should be after a period of fifteen or twenty years, whereas, under the proposed bill complete nationalization of the industry may never be affected. He criticised particularly paragraph IV of Article 3 and Article 4 which define property over which the nation has only *dominio directo.*

Mr. Joaquin Santaella, Chief of the Technical Bureau of Petroleum, is quoted as stating that the Bill is unconstitutional, mentioning particularly the third article which specifies the cases in which the Nation retains only the *dominio directo* over petroleum; he added " so long as the Constitution is in force, any limitation on this *dominio* is absurd, and the only road open to the petroleum interests is to amend the Constitution, which would mean to destroy the results of the revolution secured at a cost of eight years of civil war and other sacrifices ".

Deputy Jesus Rodriguez de la Fuente, Chairman of the First Petroleum Committee of the Chamber, in a signed statement to the press, quoted members of the Queretaro Constitutional Convention and a report of the Federal Executive in proof of his contention that the bill is unconstitutional because the words " *dominio directo* " give the nation complete ownership of petroleum properties and products, including the rights of " *dominio util* ". He stated that some of the members of his Committee agree with him that the proper procedure is to amend Article 27 of the Constitution [94] in such manner as to admit legislation under it which will respect and protect acquired rights in the petroleum industry.

I have [etc.] GEORGE T. SUMMERLIN

[94] *Foreign Relations*, 1917, p. 955.

[Enclosure—Translation—Extract]

Proposed Petroleum Law Introduced in the Mexican Senate, August 27, 1919

Chapter I

PETROLEUM PRODUCTS

Article 1. The properties subject to the provisions of this Law are:

I.—The beds, sources, and natural deposits of petroleum and its derivatives, be they surface or subsoil;

II.—Gaseous hydrocarbides found in the subsoil or which may escape to the surface of the land;

III.—Natural deposits of ozocerite and asphalt;

IV.—Natural deposits of all mixtures of hydrocarbides of the various classes.

Article 2. To the Nation belongs the *dominio pleno* of the properties enumerated in the preceding article, which may exist in the subsoil of the following lands:

I.—Waste lands which may never have been destined for common use nor for a public service, and those which, though no longer waste—due to their having been ceded in ownership in conformity with laws on the subject, to any individual, company or corporation—have been recovered by the Government from the said cessionaires through the rescission or annulment of the respective contract, and not for any other cause;

II.—Those of federal public domain or of common use, referred to in Article 4 of the Real Estate Law of the Federation, of December 18, 1902;

III.—Those belonging to the Federal Treasury, referred to in Articles 16 and 23 of the same Law;

IV.—All those respecting which the Nation may have heretofore, or may in the future expressly reserve to itself the subsoil.

Article 3.—The Nation has *dominio directo* over the properties enumerated in Article 1, existing in the subsoil of the following lands:

I.—Those belonging to the States or Municipalities, be they for common use or for their own;

II.—The grants or town property of communities;

III.—All those respecting which the Nation may have ceded the *dominio util*, reserving to itself the *dominio directo*.

IV.—All those of private ownership, respecting which no contracts may have been made covering the exploration or exploitation of the subsoil prior to May 1, 1917; and also those respecting which the owner of the surface has not demonstrated with positive evidence up to and prior to that date, that his intention was to possess also the substances of the subsoil.

ARTICLE 4.—For the effects of Fraction IV of the preceding article, positive evidences of possession of the subsoil are understood to be:

I.—Any work done by the owner of the surface for the exploration or exploitation of the subsoil;

II.—Contracts entered into having for their purpose the exploration or exploitation of the property's subsoil;

III.—The express statement in the titles covering the holding of lands, that they were acquired or held as petroleum lands, or that, with this understanding, they were registered or manifested prior to May 1, 1917.

. . . . . .

812.6363/522

The Secretary of State to the Chairman of the League of Free Nations Association (James G. McDonald)

WASHINGTON, *September 9, 1919.*

SIR: The Department is in receipt of your letter of August 18, 1919,[95] in which you say that the statement regarding the admission of the oil interests in Mexico that they are paying $30,000, per month to General Pelaez has been made by several persons authorized by the oil companies to speak in their behalf, and in which you ask to be advised whether it is true that the State Department thus encourages American business in a practice which appears to many people to be fomenting armed rebellion against a nation with which the American Government is at peace.

In reply you are informed that with respect to the matter of payments to General Pelaez the Department has consistently maintained the position that it could not undertake to advise the oil companies but that the companies themselves should determine the course of action to be pursued.

I am [etc.]

For the Secretary of State:
ALVEY A. ADEE
Second Assistant Secretary

812.6363/548a : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *October 1, 1919, 4 p.m.*

2228. Inform Foreign Office substantially as follows:

The Government of the United States has been informed that various corporations owned entirely or in large part by American

[95] Not printed.

citizens hold oil leases executed prior to May 1, 1917, on privately owned lands in the State of Vera Cruz by which companies have the right to explore and exploit the subsoil deposits; that in some instances these lease contracts defintely require under penalty of forfeiture the drilling of wells within fixed and limited periods; that the companies in order to meet their contractual obligations and to enjoy their property rights have applied in the appropriate manner to the Mexican Department of Industry, Commerce and Labor for permits to drill wells; that such permits have been denied in some instances and granted conditionally in other instances; that denials have been based on sole ground that companies have not manifested their properties as required by Mexican Decree of July 31, 1918, and have not conformed to Decrees of August 8 and 12, 1918, and that permits granted have been conditioned upon obligation of companies to conform to provisions of a petroleum law to be enacted in the future; that the companies have been notified that under the provisions of the Mexican circular of January 17 [7], 1915, as reaffirmed March 20, 1919, the Government will take over all wells drilled without permits, and that on certain properties so held under leases the Mexican authorities have accepted denouncements by third persons in spite of companies' protests, which have been overruled because companies have not complied with provisions of decrees of August 8 and 12, 1918.

This would seem to be but another aspect of the situation affecting petroleum deposits in Mexico, which has been discussed in previous representations from the Government of the United States and this opportunity is taken to reaffirm the position of this Government with regard to the matter as set forth in such representations.

In this relation and with specific reference to the action of the Mexican Government as set forth in the foregoing, it may be observed that compliance with or acquiescence in the above mentioned decrees of 1918 by the companies affected would seem clearly to imply a surrender on their part of rights and titles lawfully acquired and legitimately held under Mexican law. Moreover the companies in question cannot reasonably be expected to agree in advance to conform to the provisions of a law to be enacted in the future, concerning the terms of which they have no assurance that their rights will be respected.

In this view of the matter the Government of the United States, owing as it does to its citizens, the duty of protecting them in foreign lands, both in their persons and their property rights, must strongly protest against the action of the Mexican Government as outlined above and characterize it as threatening confiscation and a denial of justice.

The Mexican Government is therefore strongly urged not to permit the Circulars of January 7, 1915, and March 20, 1919, to be enforced in the cases to which reference has been made and to see to it that the interested companies suffer no loss or inconvenience on account of the denouncements upon their properties which appear to have been accepted as aforesaid, but to restore the companies to all the rights to which they are entitled under the leases held by

them and the applicable laws of Mexico at the time when such lease contracts were made.

In communicating the foregoing the Government of the United States takes occasion to express the confident hope that pending the general settlement of the petroleum question by specific legislation of the Mexican Congress, the Administrative authorities of Mexico will respect the vested rights of American citizens and evince that respect by withdrawing its insistence that interested American citizens comply with the provisions of the decrees mentioned.

PHILLIPS

812.6363/554 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *October 7, 1919, 10 a.m.*
[*Received 9.55 p.m.*]

3213. Senate petroleum bill was defeated in the Senate yesterday by vote of 26 to 17. Senate will begin discussion of Executive petroleum bill [96] today.

SUMMERLIN

812.6363/581 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *November 18, 1919, 6 p.m.*

2299. Address Foreign Office substantially as follows:

The Government of the United States has been informed that drilling has been stopped by military forces under orders of Petroleum Inspector on lot 162, in Chinampa, of the Island Oil and Transport Company, although application had been made for a permit, and that drilling operations have been stopped pursuant to orders of President Carranza on following lots because of lack of permits: 96, Chinampa, of the Island Oil and Transport Company; 115, Chinampa, of the Compania Transcontinental de Petroleo S.A.; 114 and 153, Chinampa, of the Texas Company of Mexico, S.A.; 162, Chinampa, "of the Union" (so stated by Consul Tampico); 114, Chinampa, "of the Buckley interests" (so stated by Consul Tampico); 250, Chinampa, of the Freeport and Mexican Fuel Oil Corporation; 251, Amatlan, of the Sinclair Gulf Corporation; 162, Chinampa, of the Mexican Investment Company; 240, Amatlan, of the Cortez Oil Corporation; also that permit granted provisionally to the Cia. Petrolera "Capuchinas", S.A., a subsidiary of the Island Oil and Transport Company, to drill a well on property known as "Comales", Canton of Tantoyuca, State of Vera Cruz, has been cancelled because of non-conformity with Circular 9 of August 1, 1919.[97]

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[96] *Foreign Relations*, 1918, p. 772.
[97] See note from Mexican Embassy, received Aug. 11, p. 606.

The Government of the United States exceedingly regrets the action of the Mexican authorities in requiring, as a condition of developing their properties, that American concerns obligate themselves in advance to conform to the provisions of prospective petroleum legislation, which, in the opinion of the Americans concerned and of this Government, would entail acquiescence in advance in possible infringements of their rights as owners or lessees of oil properties under the laws and Constitution of Mexico and under international law, and a waiver of remedies which might exist to enforce those rights if it should prove that they are infringed.

This Government has already indicated that it regards the course which the Mexican Government is now pursuing as threatening confiscation and must emphatically deny the right of the Mexican Government to impose the conditions of Circular No. 9, on the basis of which it is understood the Mexican authorities are now acting.

The views of my Government regarding the requirements of Circular No. 9 have been fully stated to the Mexican Government (refer to your representations pursuant to Department's telegram 2228, October 1), along with the expression of the United States Government's confident hope that, pending the general settlement of the petroleum question, the vested rights of Americans will be respected, and these views were recalled to your attention in my note No. 1492 of October 31 [98] relative to the cancellation of the permit of the Compañía Transcontinental de Petroleo, S.A. to drill well on lot 97, Chinampa. My Government views with no less surprise and regret, than concern, the practical answer to these representations which has come in the form of renewed rigor in the stopping of drilling operations.

In conclusion, I am instructed to ask whether or not in view of complications which this Government fears will arise from these acts and orders of the Mexican Government, that Government will be disposed to rescind and recall such orders and to issue orders to the appropriate officials permitting the Americans concerned to continue or to resume, as the case may be, the development and lawful enjoyment of their properties; and in view of the possibly irreparable loss which may result from the enforcement of these orders, I am further instructed to request that a prompt reply be made to this inquiry.

LANSING

812.6363/593 : Telegram

The Chargé in Mexico (Summerlin) to the Secretary of State

MEXICO, *December 9, 1919, 11 a.m.*
[*Received 7.24 p.m.*]

3354. Executive petroleum bill passed Mexican Senate yesterday.

SUMMERLIN

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[98] Not printed.

PROTECTION OF AMERICAN LANDHOLDING INTERESTS

Agrarian Law of the State of Sonora, Promulgated July 3, 1919; Protests of the United States—Representations in Behalf of the Richardson Construction Company

312.115/354 : Telegram

The Acting Secretary of State to the Ambassador in Mexico (Fletcher)[99]

WASHINGTON, *December 24, 1918, 4 p.m.*

1745. Department informed that proposed Agrarian Law[1] has been introduced Sonora Legislature and published November 20. Concerning proposed law address Foreign Office substantially as follows:

Consideration by Government of United States of proposed Agrarian Law introduced Sonora Legislature appears to show that no provision is made for payment of compensation to owner by State of Sonora for lands to be taken by State and assigned to private interests and that therefore proposed law is confiscatory in character. Confiscatory character is not obviated by provision that persons to whom lands are transferred by State shall make annual payments to owners beginning two years after transfer, no penalty being provided for non payment and the credit of the State being in no way pledged to assure payment. In view of this condition proposed law appears clearly violative of following provisions Article 27 Mexican Constitution:[2] "Private property shall not be expropriated except for cause of public utility and by means of indemnification."

Moreover, proposed law provides for taking of property by purely arbitrary administrative action without due process of law or judicial determination and hence violates following provisions of Article 14 of Mexican Constitution:[3] "No person shall be deprived of life, liberty, property, possessions or rights without due process of law instituted before a duly created court, in which the essential elements of procedure are observed."

Such safeguards as are provided for property owners by said provisions of Article 14 correspond to provisions under which property is taken for public use in United States where owner has right to demand that an impartial tribunal shall pass upon question of compensation and that he be given an opportunity for a hearing. It is believed that such safeguards prevail generally throughout the world as in accordance with the general idea of justice and equity.

Apparent conflict between said provisions Article 14 and provisions Article 27 for administrative expropriation of private property does not alter fact that wise safeguards of former article are

[99] Repeated on the same date to the Consul at Nogales, with instructions to advise the authorities of Sonora of the substance.

[1] For the text as passed, see p. 616.

[2] *Foreign Relations*, 1917, p. 955.

[3] *Ibid.*, p. 952.

just and equitable and generally observed in modern times. However, even Article 27 provides for judicial determination of value of improvements on lands expropriated, whereas no such provision appears to be contained in proposed law.

In view of foregoing and on behalf of American citizens owning lands in Sonora the Government of the United States, while reserving all rights in the matter, is constrained to protest against the proposed enactment into legislation of the proposed law, on the grounds that it is confiscatory in character and that it makes no provision for due process of law and judicial determination.

POLK

312.115R39/67 : Telegram

The Acting Secretary of State to the Chargé in Mexico (Summerlin)[4]

WASHINGTON, *July 16, 1919, 5 p.m.*

2095. Department informed that about June 26 Sonora Legislature passed Agrarian Law in substantially same terms as measure against which you were instructed to protest in Department's 1745, December 24, 4:00 p.m.

Advise Foreign Office, ask to be informed if report correct and renew protest against measure made pursuant to instructions. Conclude by urging that action be promptly taken to prevent coming into force of a measure threatening confiscation of American interests.

POLK

812.52/470

The Consul at Guaymas (Yost) to the Acting Secretary of State

No. 105 GUAYMAS, *July 19, 1919.*
[*Received July 28.*]

SIR: I have the honor to transmit herewith copies of the *Boletin Oficial* published on July 6, 1919, at Hermosillo, containing the Agrarian Law passed by the State Legislature on June 23 and promulgated by the Governor on July 3, together with a translation of said law into English. Owing to the extensive American land interests in Sonora, a knowledge of this radical piece of legislation is thought to be of the utmost importance to many Americans, and of interest to many others.

I have [etc.] B. F. YOST

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[4] The Consul at Nogales informed of this instruction, July 17, and directed to advise the authorities of Sonora.

[Enclosure—Translation [5]]

Agrarian Law of the State of Sonora, Promulgated July 3, 1919

Chapter I

GENERAL PURPOSES

Art. 1. The present law has for its purpose the creation and fostering of the small properties in the State.

Art. 2. For the purposes of the present law the following are for the public interest:

I—Division of estates (*latifundios*).

II—The creation of new agricultural centers with indispensable lands and water.

III—Utilization of the waters for equitable distribution and application to the cultivation of the lands.

IV—Everything else which tends to the accomplishment of the purposes set forth in the preceding article.

Art. 3. Each inhabitant of the State who possesses the requisites cited in this law shall have the right to acquire a parcel in conformity with the provisions of this law.

Art. 4. The parcels referred to in the preceding article shall be taken from private properties, or from those which the State may for any reason dispose of.

Art. 5. Private lands intended for division shall be divided by the owners themselves in accordance with this law; but if they fail to proceed with the division, or resist carrying it out, the State will make the division by expropriating the lands on the basis of public utility.

Art. 6. The procedure of expropriation shall be carried out in accordance with the law on the subject, except as regards payment, which shall be carried out in accord with the precepts of this law.

Chapter II

AGRARIAN OFFICES

Art. 7. All matters relating to this law shall be carried out by the State Agrarian Department, under the Executive Power, and shall be in charge of an engineer with such force of assistants as the budget of expenditures provides.

Chapter III

CLASSIFICATION OF LANDS

Art. 8. For the purpose of this law the lands shall be classified in the following manner:

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[5] Substituted for file translation.

I—Agricultural lands.
II—Grazing lands.

ART. 9. By agricultural lands are meant those which, at the time of application, are under cultivation or capable of immediate cultivation.

ART. 10. By grazing lands are meant those which, at the time of application, are untillable for any reason inherent in the land itself, and those susceptible of cultivation which would require for the purpose special preliminary work of irrigation, protection or breaking.

ART. 11. Agricultural lands shall be divided as follows:

I—Irrigable lands.
II—Seasonal lands.

ART. 12. By irrigable lands are understood those which, at the time of application, have sufficient water to assure at least one crop per growing season.

ART. 13. By seasonal lands are understood those the watering of which depends exclusively upon the eventuality of rain.

CHAPTER IV

MAXIMUM AREA TO BE HELD

ART. 14. The maximum area of land that may be owned by one person or corporation legally organized is as follows:

Fifty hectares in the privately owned lands located in the zone which was originally delimited as village common lands (*ejidos*).

Outside the zone defined above, the maximum extent shall be:

A—Irrigable agricultural lands, 100 hectares.
B—Seasonal agricultural lands, 300 hectares.
C—Grazing lands, 10,000 hectares.

ART. 15. In the extent fixed by the foregoing article may be included one lot or several lots belonging to the same proprietor, whether located together or at a distance one from the other, in one or in several municipalities.

ART. 16. Persons or institutions who have the right to possess land in conformity with this law may possess at the same time grazing lands, irrigable lands and seasonal lands, provided that these lands do not exceed the limits fixed by Article 14.

ART. 17. When the owner of seasonal lands the extent of which does not exceed the limits fixed for lands of this class, desires to convert the same into irrigable land, he may continue in integral ownership thereof.

ART. 18. Grazing lands within the maximum extent, for which applications have been filed for the purpose of cultivation, shall be

divided in accordance with the provisions of this law relating to agricultural lands.

ART. 19. When the owner of grazing lands the extent of which does not exceed the limits prescribed by this law for this class of land, desires to convert a part or all into agricultural land, he may continue in integral ownership thereof.

CHAPTER V

DIVISION

ART. 20. Every property exceeding the area fixed by Article 14 and belonging to one individual or legally constituted company, shall be considered as an estate (*latifundio*) and its owner shall be obliged, in the public interest, to divide the excess within the period fixed by this law.

ART. 21. From the date of the promulgation of this law the owners of estates (*latifundios*) in this State shall send notice to the Agrarian Department of the preparatory measures for the division, together with legalized copies of any contracts made in connection therewith.

ART. 22. Owners shall be allowed ten months from the date of promulgation of this law as the period within which they themselves may carry out the division prescribed in the foregoing articles.

ART. 23. On the expiration of the time fixed by the preceding article the excess parcels belonging to one individual or legally constituted company shall be divided by the State Government, in accordance with section VII and subdivisions of Article 27 of the General Constitution of the Republic, and the State Law of Expropriation, for reasons of public utility.

ART. 24. The Governor of the State shall, by means of permanent notices in the *Boletin Oficial* or any other means of publicity, notify the persons who desire to acquire lots in the property to be divided, stating the conditions of acquisition, etc.; and when a sufficient number of applications shall have been received, he shall proceed with the expropriation.

ART. 25. For the purpose of the foregoing article it is understood that a sufficiency of applications shall be considered to have been reached when ten have been received, or when, without reaching that number, they cover an area of fifty hectares. In case the expropriable tract does not exceed fifty hectares, it will be sufficient if the applications presented cover fifty per cent of such area.

ART. 26. When a property is divided, the owner shall have his choice of tracts, provided it does not exceed the limits fixed by this law.

ART. 27. The expropriation of lands by the Executive of the State for the application of this law shall be limited to the area solicited.

ART. 28. The lands which, through the exercise of economic-coactive rights, pass into the power of the State, shall be adjudicated to those who apply for them, by due process of law.

CHAPTER VI

APPLICATIONS AND ADJUDICATIONS

ART. 29. The maximum areas to be adjudicated shall be as follows:

A—Irrigable lands, 15 hectares.
B—Seasonal lands, 50 hectares.
C—Grazing lands, 1,250 hectares.

Only in very special cases where the applicants show sufficient means within the legal time for the construction of works of irrigation, protection and breaking, may the Executive concede at most one hundred hectares, and two thousand, five hundred hectares for grazing purposes, when the applicant has sufficient means to develop the land and improve the grazing.

ART. 30. Applicants for lands shall address themselves in writing to the Governor of the State and furnish the following information:

I—Family and given names, profession or occupation, residence, nationality, civil status and age.
II—Number of hectares desired and class of land.
III—Location of lot or lots solicited and other data relative to the situation, giving the name of the property and of its proprietor.
IV—Number of members in the family he is supporting (if he has anyone dependent upon him), giving the sex and age of the members thereof.

ART. 31. Applicants shall furnish proof of the following, in conformity with regulations:

I—That they have draft animals and means of cultivating the agricultural lands solicited, or in default of these, the resources necessary to acquire them.
II—That they possess at least fifteen head of grown cattle or thirty young cattle, or in default of these, the necessary resources to acquire them, for the utilization of the grazing lands applied for.
III—That what is expressed in paragraph IV of the previous article is true, and that they are not land owners, or if they are, the area of the lot or lots, their class, location and other pertinent information.

ART. 32. In case there should be several applicants for the same tract, preference shall be given in the following order:

I—Mexicans who have served in the Constitutional Army; those who have rendered aid or personal services in the Yaqui campaign; the sons and widows of the foregoing; and other persons who have rendered services to the cause of the Revolution or to public instruction, and are residents of the place where the lands applied for are located.

II—Persons described in the foregoing paragraph who are non-residents of the place where the lands applied for are located.

III—Mexicans who are partners in or renters of the property to be divided.

IV—Residents of the place.

V—Others possessing the requisites established by Article 27 of the Federal Constitution and by this law.

ART. 33. The Governor of the State will forward all applications to the Agrarian Department, where a register shall be kept of them, for the purpose of proceeding in the order of the priority of the applications for lots solicited and in accordance with the preceding article.

CHAPTER VII

GRANTEES

ART. 34. The grantees of fractional lots shall carry the following obligations, except in proven cases of prevention by *force majeure:*

I—In the case of agricultural land which is under cultivation at the time of the division, the grantee must put it under cultivation in its totality within the first year from the date on which possession was taken.

II—In the case of land not under cultivation at the time of the division, but which is tillable at once, the grantee must place fifty per cent under cultivation during the first year and the balance during the second year.

III—In the case of grazing land solicited for cultivation, five years are allowed for placing the same under cultivation, the grantee being obliged to place at least twenty per cent of the total granted under cultivation each year.

IV—In the case of grazing land, solicited for the purpose of grazing, the grantee must keep constantly upon it at least fifteen head of grown cattle or thirty head of young cattle.

V—After the termination of the time fixed in paragraphs I, II and III, the grantee may not suspend cultivation during two consecutive years.

VI—The grantee must promptly pay the annuities for amortization of the value of his properties, and the interest upon said value, as well as the State and Municipal taxes assessed.

VII—As long as the price of the tract is not paid in full, the grantee may not alienate, mortgage nor in any manner encumber it, nor in any manner speculate with the titles of acquisition, any contracts or transactions in this respect being null and void; and the title to such property can be transferred, as an inheritance, only when the total value has not been paid.

VIII—The lot or lots must be registered in the tax office of the municipality to which each belongs and in the register of deeds' office, for fiscal and statistical purposes.

IX—The grantee must personally cultivate and manage the lot or lots adjudicated. Cultivation in absence will not be permitted; neither will gratuitous transfer, nor leasing in any form.

ART. 35. If the grantee fails to comply with the provisions of paragraphs I, II, III, IV, V, VII and IX of the foregoing article, the Government shall declare subject to application the tract or tracts which were adjudicated, publishing such declaration in the *Boletin Oficial* three consecutive times at weekly intervals, and using any other form of publicity.

ART. 36. When the provisions of the foregoing article have been fulfilled, the tract or tracts shall be adjudicated to the first applicant who possesses the requisites prescribed by this law, and who shall pay in cash twenty-five per cent of the sum paid in by the former farmer, plus fifty per cent of the improvements, and the balance of the price in securities fixed by the contract of adjudication. The twenty-five per cent mentioned shall be delivered to the first grantee, the balance remaining in favor of the State, as well as the price of the improvements. The expenses of the transfer shall be on account of the State.

ART. 37. Those grantees who violate the provisions of paragraphs VI and VIII of Article 34 shall be subject to the provisions established by the laws relating thereto, and with regard to the payment of the annuities for amortization of the value of the property and the interest accruing thereon, they shall be subject to the contract of adjudication.

CHAPTER VIII

PRICE OF AND PAYMENT FOR TRACTS

ART. 38. The value of the expropriated property shall be paid by the State Government with bonds of the agrarian debt, which shall be amortized in the time and in the form that the law on the subject may provide.

ART. 39. The value of each tract shall be paid by the grantee in twenty annuities which shall amortize the principal with interest on it at the rate of five per cent per annum.

ART. 40. Payment of annuities must be made during the first fifteen days of July in the Special Department of the State Treasury.

ART. 41. Annuities not paid within the period fixed shall be subject to the interest stipulated in Article 39.

ART. 42. When the division is made by the Government, the value of each hectare shall be that fixed or accepted in the offices of the tax assessors or collectors augmented by ten per cent, plus the value of the improvements and the proportional expenses of the division. The value of the improvements shall be fixed by appraisers, one named by the proprietor, another by the grantee and a third by the Government in case of disagreement.

CHAPTER IX

GENERAL DISPOSITIONS

ART. 43. The tracts adjudicated in conformity with this law shall pass to the grantee free of incumbrances, saving the rights of creditors of the subdivided estate to prosecute such actions as are open to them under the relevant laws.

ART. 44. The simulation of a contract of sale after the promulgation of this law shall be considered as a direct attempt to elude the fulfillment of the law, and the lands affected by such simulated contract shall remain by deed and right, through that circumstance alone, subject to the same consequences as the estates (*latifundios*) which have not been voluntarily divided by their proprietors.

ART. 45. The difficulties which may present themselves in the application of this law shall be resolved by the Executive of the State.

ADMINISTRATIVE DISPOSITIONS

ART. 1. The Executive of the State shall issue the necessary regulations for the enforcement of this law and appoint the employees of the Agrarian Department.

ART. 2. This law shall be published by solemn proclamation in the whole State on July 27 of the current year, on which date it shall become effective.

ART. 3. For the application of this law all dispositions contrary to its provisions shall be without effect.

Communicated to the Executive for his approval and for execution.

Assembly Hall of the State Legislature, Hermosillo, June 23, 1919.

A. TRUJILLO, *D.P.*
ALONSO G. GONZÁLEZ, *D.S.*
V. G. TENA, *D.S.*

I hereby order that it be printed, published and circulated for its due observance.

Palace of the Governor of the State, Hermosillo, Sonora, July 3, 1919.

General P. Elías Calles
Governor

General M. Pina, h.
Secretary of State.

812.52/473 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)[6]

Washington, *August 14, 1919, 1 p.m.*

2154. As supplementing protest against Agrarian measure passed by Sonora Legislature made pursuant Department's July 16, 5 P.M.,[7] advise Foreign Office substantially as follows:

Consideration of measure by Government of United States leads to conclusion that measure is so ambiguous and unclear in many provisions as to leave landowners in dark as to their rights, duties and obligations thereunder. Examples of such lack of clearness are the rights of landowner in making division of his lands by private arrangement, provision as to payment by State of Sonora for lands expropriated, and provision for preserving rights of creditors.

Measure does not provide for effective compensation, in that, taken in connection with provisions of Article 117 of Mexican Constitution[8] regarding bond issues by States, it apparently requires landowners to accept nonnegotiable bonds of State of Sonora payable in Mexico and in Mexican money, which bonds would seemingly have no market value and holders of which would be remediless in case of default except through the diplomatic channel and would, moreover, be exposed to the danger of being compelled to accept payment in greatly depreciated fiat money.

Provision in measure for fixing value of improvements violates provision of Article 27 of Mexican Constitution, that value of improvements taken for purpose in question shall be fixed by judicial determination, but instead makes such value determinable by experts only, one of whom is appointed by owner, other two being appointed respectively by State of Sonora, the expropriator, and the grantee, the beneficiary of such expropriation. It would appear that demands of even-handed justice are hardly met by such a constitution of the Board to pass upon the value of improvements.

Moreover, since measure in question provides for taking of property by purely arbitrary administrative action, without due process

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[6] Repeated on the same date to the Consul at Nogales with instructions to advise the authorities of Sonora of the substance.

[7] *Ante*, p. 615.

[8] *Foreign Relations*, 1917, p. 975.

of law or judicial determination, provision as to fixing value of improvements, and much more the provision as to the taking of lands, violates following provisions of Article 14 of Constitution "No person shall be deprived of life, liberty, property, possessions, or rights without due process of law instituted before a duly created court, in which the essential elements of procedure are observed."

As stated in previous representations, such safeguards as are provided for property owners by said provisions of Article 14 correspond to provisions under which property is taken for public use in the United States where owner has right to demand that an impartial tribunal shall pass upon question of compensation and that he be given an opportunity for a hearing. It is believed that such safeguards prevail generally throughout the world as in accordance with the general idea of justice and equity.

Apparent conflict between said provisions Article 14 and provisions Article 27 for administrative expropriation of private property does not alter fact that wise safeguards of former Article are just and equitable and generally observed in modern times.

In view of considerations mentioned, and on behalf of American citizens owning lands in Sonora, the Government of the United States, while reserving all rights in the matter, is constrained to renew its protest against the coming into force of the measure in question, on the grounds of its ambiguity, that it is confiscatory in character, and that it makes no provision for due process of law and judicial determination.

American citizens, adversely affected by this law, will no doubt have recourse to the courts in Mexico for relief, but the Mexican Government is hereby advised that, in the event that absolute and even-handed justice is denied them after they have exhausted all proper local remedies, the Government of the United States will be forced to take up this question with the Mexican Government for international adjustment and reparation.

LANSING

312.115R39/81 : Telegram

The Secretary of State to the Chargé in Mexico (Summerlin)

WASHINGTON, *August 27, 1919, 3 p.m.*

2182. Reference previous correspondence taxation Richardson Construction Company, Sonora, and particularly Embassy's No. 23 [*423*] August 22, 1917.[9]

Yaqui Delta Land Company owning all stock Richardson Company reports that Sonora authorities have advertised for sale August 25, for non-payment of taxes, large amount Company's property including lands on which are situated head works and main canal of irrigation system, lands sold to various foreigners, and lands mort-

[9] *Foreign Relations*, 1917, p. 1078.

gaged to Canadian Agency, Limited, of London, and Knickerbocker Trust Company, New York; that taxes in question amount to over $350,000.00 Mexican gold, whereas under contract between Company and Sonora Government made 1909 and effective for ten years from July 1, 1910, amount actually due for taxes is $37,200.00 Mexican gold, which amount has been tendered Sonora authorities, who in pending proceedings against property are relying upon Military Governor's Decree No. 39, March 27, 1916, attempting to annul contract in question. Embassy's said despatch reported that Sonora authorities had been ordered to suspend all proceedings against Company pending further investigation, but no later information has been received as to attitude of Mexican Government.

Referring to previous representations pursuant Department's instructions October 19, 1916,[10] you will urgently protest against action Sonora authorities and ask that they be promptly ordered to suspend all proceedings looking to sale of Company's property.

You will add that Government of the United States would be pleased to be promptly informed of steps taken by Mexican Government to manifest its disapproval of apparent attempt to violate solemn contractual obligations entered into between State of Sonora and Richardson Company, and you will call attention to necessity of urgent action to prevent injustice not only to Company, but to many American citizens who have purchased land from Company, as well as the mortgagees of tract advertised for sale.

LANSING

812.52/492

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2349 MEXICO, *September 4, 1919.*
[*Received September 22.*]

SIR: With reference to the Department's telegraphic instruction No. 2154 of August 14, 1 p.m., relative to the Sonora Agrarian Law, I have the honor to transcribe below, in translation, Foreign Office Note No. 002752 of August 28, 1919 (received to-day):

I have had the honor to receive your courteous note No. 1291 of the 18th instant, relative to the representations made by that Embassy, protesting against the Agrarian Law of the State of Sonora.

"In stating to you that I have addressed the corresponding authorities for appropriate action, I am pleased to renew, etc."

I have [etc.] GEORGE T. SUMMERLIN

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[10] Not printed.

812.52/493

The Consul at Nogales (Dyer) to the Secretary of State

No. 190 NOGALES, *September 21, 1919.*
[*Received September 27.*]

SIR: I have the honor to enclose herewith the answer of the State Government to my communication of August 14, 1919, transmitting the protest of the Department of State against the new Agrarian Law of the State of Sonora.

Inasmuch as this is an important communication, I have had a copy made and carefully compared, and I am enclosing the original, one compared copy of the same, and a rough translation made in this office.

I have [etc.] FRANCIS J. DYER

[Enclosure—Translation [11]]

The Governor of Sonora (De la Huerta) to the American Consul at Nogales (Dyer)

No. 2737 HERMOSILLO, *September 13, 1919.*

Replying to your note of the 15th [*14th*] ultimo, in which you say that under instructions from your Government you permit yourself to call the attention of the Government in my charge to the defects and unconstitutionality (referring to Mexico's Magna Charta) of the Agrarian Law of this State, passed by the State Congress on the 23d of last June, I wish to advise you as follows:

The points which you touch upon in your note on the subject are expressed as follows:

1. That the Law is obscure and ambiguous.
2. That it is contrary to article 117 of the General Constitution of the Republic.
3. That in case the bonds to which the Law refers are not paid, through negligence, recourse will be had to diplomatic methods.
4. That it violates article 27 of the General Constitution, which provides that the value of the property must be fixed according to judicial determination.
5. That it also violates article 14 of the same Constitution, which prescribes that no person shall be deprived of his life, liberty and property except by due process of law and before a competent tribunal.
6. That the law being confiscatory, protest is made against the execution of its provisions with respect to American citizens affected by it, who will have recourse to *amparo* in the case indicated.

[11] Substituted for file translation.

7. Finally, you notify this Government that in case absolute justice is denied to such citizens (that is to say, if the law be applied to lands possessed by Americans), the Government of the United States will be compelled to take up the matter on their behalf with the Government of Mexico through the medium of an international reparation adjustment.

Given the nature of the said note and the terms in which it is couched, the Government under my direction considers it pertinent and necessary to inform you, first of all, that the State Government is not competent to enter upon any discussions of this character with representatives of foreign governments, inasmuch as, according to the fundamental law of the nation, cognizance of these matters is the exclusive prerogative of the President of the Republic.

Having made this reservation, simply as a courtesy to you and in consideration of the friendship and good relations which bind together the Mexican Nation and the United States, without establishing precedents and solely for this occasion, I will permit myself to give you some explanation of the justice and legality of each and every one of the points concerning which you have entered protest.

First point.—You affirm that the Agrarian Law in force in this Federative Entity suffers from obscurity and ambiguity as to several of its dispositions, but you failed to indicate precisely which of those provisions were obscure and ambiguous. On this account and in consideration of the fact that, in the premises, the executive under my direction holds a view radically different from yours, I must confine my explanations solely to those points particularly and definitely indicated by you. You say that the Agrarian Law does not provide for the compensation that ought to be given to the owners of lands that are expropriated by the State, but it is enough to read article 38 of the said law to see that "the value of the expropriated property shall be paid by the State Government with bonds of the agrarian debt, which shall be amortized in the time and in the form that the law on that subject provides." It is necessary, then, to wait until the law to which article 38 refers is enacted in order to be able to judge accurately regarding the matter of compensation. That those bonds can be issued is a matter which is dealt with in the next paragraph.

Second point.—Although you do not indicate which one of the sections of article 117 of the Federal Constitution is the one in conflict with the plan laid down for paying those whose lands may be expropriated, it is clear that you meant to refer to VIII, which says textually:—"The States may not in any case: . . .[12] issue bonds of the public debt . . .[12] or contract obligations in favor of foreign corporations or individuals, requiring the issuance of certificates or bonds payable to the bearer or transferable by endorsement." Moreover, the Consul has not noticed that article 27 of the same

[12] Omission indicated in the Governor's note.

General Constitution which bears precisely on the point of dividing or breaking up the great estates expressly orders that the proprietors "shall be bound to receive bonds of a special issue to guarantee the payment for the expropriated properties," the Congress of the Union, with that object, having to issue a law authorizing the States to create an agrarian debt.

Therefore, there is no conflict between the provisions of the Agrarian Law and article 117 of the Constitution, since the said fundamental charter makes that exception to the prohibitions that it imposes on the states in a general manner.

Third point.—That in case of negligence in the payment of the bonds, American citizens would be compelled to resort to diplomatic channels.

Leaving aside the improper threat that is made against the Government under my charge without any necessity and in consequence of no violation, because no measures are yet in effect for execution of the pending Law, that is, for the creation of the agrarian debt to which article 38 refers, you will permit me to say to you that foreigners, according to the laws and the principles of juridical science, will not have any rights other than resort to local measures, the same as nationals; and they could resort to diplomatic channels only when they had exhausted all legal recourse in the country and if the government were not applying the law to them in the same manner as to its nationals and to most favored foreigners, in accordance with the terms of the treaty made with the United States, and finally, if the foreigner has not renounced the right to appeal to his government, as wisely provided by our Constitutional Law in making certain concessions of grace to foreigners, such as acquiring real estate in national territory. (Article 27 of the Constitution of 1917.)

Fourth point.—That it violates article 27 of the General Constitution, which prescribes that the value of the property is to be fixed by judicial determination. This is another error into which your note falls, as I take the liberty of making clear. The question is whether judicial determination is involved in the procedure of expropriation of the land or lands which are to be divided in accordance with the Agrarian Law of the State. Article 6 of the same ordains: "The procedure of expropriation shall be carried out in accordance with the provisions of the law on the subject." Further, the Law of Expropriation of the State of October 27, 1906, directs: "Art. 8. The declaration of public utility having been made, the record shall be referred to the Judge of First Instance in whose jurisdiction is located the properties expropriated, or whom the expropriator designates, if they should be in different districts." The other articles refer to the method of fixing the price of the expropriated property, a matter which the judge will settle finally. The procedure, then, is judicial, being in conformity with the requirement in the same article 27 of the General Constitution:—"The laws of the Federation and of the States, in their respective jurisdictions, will determine the cases in which the occupation of private property will be of public utility; and in accordance with said laws the administrative authority will make suitable declaration. The price that will be fixed as compensation for the property expropriated shall be based on the sum entered as its fiscal value in the offices of the tax assessors

or collectors, whether this value was declared by the owner or only tacitly accepted by him through payment of his taxes on such basis, increasing it by ten per cent. The increase in value which the property in question may have acquired through improvements made subsequent to the date of appraisal, will be the only matter remaining subject to expert judgment and judicial determination. This same procedure will be observed with respect to objects whose value is not recorded in the revenue offices." This general arrangement is entirely in harmony with the provisions of article 42 of the Agrarian Law, which says: "When the division is made by the Government, the value of each hectare shall be that fixed or accepted in the offices of the tax assessors or collectors, augmented by ten per cent, plus the value of the improvements and the proportional expenses of the division. The value of the improvements shall be fixed by appraisers, one named by the proprietor, another by the grantee and a third by the Government in case of disagreement." Furthermore, the same article 27 expressly lays down the following precepts: "During the next constitutional period, the Congress of the Union and the State Legislatures, in their respective jurisdictions, shall enact laws for the carrying out of the division of the large properties, in conformity with the following rules:

(*a*).—In each state and territory there shall be determined the maximum area of land which may be owned by one individual or one legally organized corporation.

(*b*).—The excess above the area determined shall be subdivided by the proprietor in the time fixed by the local laws; and the subdivisions shall be put on sale on such conditions as the respective governments approve, in accordance with the same laws.

(*c*).—If the owner refuses to make the subdivision, it shall be carried out by the local government, by means of expropriation.

(*d*).—The value of the subdivisions shall be paid in annual instalments which will amortize the principal and interest within a period of not less than twenty years, during which the persons acquiring them may not alienate them. The rate of interest shall not exceed five per cent per annum.

(*e*).—The proprietor shall be bound to receive bonds of a special debt to guarantee the payment for the expropriated property. With this end in view, the Congress of the Union shall, at an early date, enact a law authorizing the States to create an agrarian debt.

(*f*).—The local laws shall guarantee the family patrimony, deciding what property shall constitute the same, on the basis that it shall be inalienable and shall not be subject to attachment or encumbrance of any kind."

There can be nothing unconstitutional, then, either in the procedure or in the manner in which the payments are to be made for the expropriated lands, and as the law is applied equally to all, citizens and foreigners, the latter have no right to appeal to their governments, because they are under necessity of obeying and respecting the laws of the country which extends them hospitality.

Fifth point.—That it also violates article 14 of the same Constitution which provides that no person shall be deprived of his life or of his liberty and property except by due process of law and before a competent tribunal.

In view of the foregoing fourth point there remains not the least doubt that in no respect does the Agrarian Law violate the passage cited from article 14 to which you allude. In fact, in depriving individuals of their properties through the procedure of subdivision, the expropriation is decreed primarily on the ground of public utility; this declaration being made, it goes to the competent judge (his competence being defined by the law on the subject) for the determination of the price. All this is in entire conformity with the postulates of that beneficent article of our Constitution, which you believe it violates, possibly because you did not make a deeper study of the harmony of both laws.

Sixth point.—The conclusion that the said Agrarian Law may be confiscatory or of a confiscatory nature is entirely a question pertaining to those affected by it, who will do well, if they so decide, to seek *amparo*, which is the legal recourse that the inhabitants of the Republic have for protecting themselves from abuses of the laws or from the authorities that attack or presume to trample under foot their individual privileges. It is right that they should so proceed, that the Supreme Court of Justice of the nation, the one supreme qualified judge of the constitutionality or unconstitutionality of an act, may duly pronounce the decision reached in each concrete case that is brought to its knowledge.

Seventh point.—The Government in my charge feels that the American Consul has gone so far as to make a threat at a time when, as already has been said, the Law has not been applied and the supplementary legislation (creation of the agrarian debt, regulations, etc.) that would present an impending situation warranting the tone of his note has not been formulated, all the more so when a more detailed study of the Agrarian Law in question might have changed his excellent and enlightened judgment, for the Government believes that the foregoing explanations are clear and entirely sustained by justice.

In concluding this extended note, I permit myself to add that, with respect to such delicate matters as causing a country to alter the legislation that it desires to apply within its own jurisdiction, the authorities of other nations have no right to intervene, as you yourself may see, Mr. Consul, in the authorities on international law citation of whose literal texts is not allowed by the limitations or the character of this note, which is merely explanatory and intended to efface prejudices and misunderstandings, rendering more cordial the relations between the foreigners residing in this State, or holding property in it, and the authorities of the same, who, in enacting laws such as the one under discussion, have not sought to attack the rights of foreigners nor to make their situation difficult, but rather to follow ideals of justice for the sake of which both nationals and foreigners have to sacrifice part of their interests to the general welfare.

It appears highly opportune for me to remind you that President Wilson himself, in his pronouncements concerning Mexico, during the contest between the Villista and Carrancista parties, following Villa's defection, expressly declared that the United States would support the party that would give the more guarantees of carrying out the ideals of the Mexican Revolution, and one of those ideals, one of the most far-reaching, is that relating to the division of the large estates which convert the immense majority of our farmers into serfs worse off than those of feudal times.

On the other hand, I have already shown that cognizance of these matters is a function of the Federal Government, which will know how to find a legal and dignified solution of conflicts of this nature that may arise.

Acknowledging your note under reference, and hoping that you will see in the present reply a sincere desire for accommodation, I take pleasure [etc.]

Constitution and Reforms.

ADOLFO DE LA HUERTA

312.115R39/88

The Secretary of State to the Counsel of the Association of Foreigners Owning Land in Sonora, Mexico (Malcolm C. Little)

WASHINGTON, *October 9, 1919.*

SIR: I am in receipt of your letter of September 23, 1919,[12] stating that on December 23, 1915, General Calles, the Military Commander and Governor of the State of Sonora, Mexico, issued Decree No. 17, pursuant to which the lands in the state were appraised for purposes of taxation at excessively high valuations and a variable tax rate dependent upon the area of land held by each individual or corporation was established. You state that on July 7, 1919, the Richardson Construction Company instituted in the Federal District Court of Nogales, Sonora, a suit in *amparo* against the application of this decree with respect to its properties, and that on September 8, 1919, the court entered a decision holding that taxes can be imposed only by laws; that the said Decree (No. 17) can not be considered as a law because the Constitution of the state in force at the time of its issuance, as well as the present Constitution reserves to the local congress authority to issue laws, and that only in exceptional cases can the Executive when vested with extraordinary powers by vote of two-thirds of the deputies present exercise such authority.

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[12] Not printed.

You say that an appeal has been taken from this decision to the Supreme Court at Mexico City, and that if representations could be made resulting in this decision being sustained a great injustice to about three hundred foreign property owners would thus be averted.

The Secretary of State is glad to learn of the decision of the Federal District Court in favor of the Richardson Construction Company. However, with reference to the suggestion in the last paragraph of your letter, I beg to say that the Secretary of State does not consider that he would be justified in directing the making of representations to the Mexican Government concerning the decision of the Supreme Court on the appeal of the case.

I am [etc.]

For the Secretary of State:
HENRY P. FLETCHER

CLAIMS OF AMERICANS AGAINST THE MEXICAN GOVERNMENT [13]

Attitude of the American and Other Governments toward the Claims Commission Established by Decree of November 24, 1917 [14]—New Decree of August 30, 1919

412.00/88a : Telegram

The Acting Secretary of State to the Chargé in Great Britain (Wright) [15]

WASHINGTON, *March 14, 1919, 4 p.m.*

4833. On November 24, 1917, the Mexican Government issued a decree establishing a commission for the consideration of certain classes of claims against the Mexican Government with the right of appeal to a Board of Arbitrators, one to be chosen by the country concerned the other by Mexico and a third by the two Arbitrators, or in case of disagreement by the President of Mexico.

Before referring American claimants to this Claims Commission, this Government would like to be informed as to what attitude the Government to which you are accredited has taken or intends to take toward this Commission in respect of claims of its nationals against Mexico.

Please present this inquiry informally to the Foreign Office and endeavor to obtain as soon as possible a reply. Report by cable.

POLK

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[13] Continued from *Foreign Relations*, 1918, pp. 792–817.
[14] *Ibid.*, p. 793.
[15] The same, Mar. 14, to the Ambassadors in France (No. 7732) and Italy (No. 2042).

412.00/90 : Telegram

The Ambassador in Great Britain (Davis) to the Acting Secretary of State

LONDON, *March 28, 1919, 5 p.m.*
[*Received March 29, 10.10 a.m.*]

1560. Your 4833 March 14th, 4 p.m. British Foreign Office states that after consideration of the terms of the decree issued by the Mexican Government the impression gained by British Government is that the Mexican Government appears to have framed this decree, hoping that foreign governments may commit themselves to accepting it in which event that Government may arrange it should remain a dead letter and a bar to any diplomatic action. In the light of present advices Foreign Office considers it advisable to await further developments before recognizing this commission and the view is taken that if it never becomes operative there will be no necessity to refer British subjects to it. On the other hand if contrary to all expectation it should prove useful the period of three years allowed for the presentation of claims will furnish sufficient time for British subjects to take such steps as may be necessary in the matter. Foreign Office adds that it has corresponded with British representative at Mexico in this regard and that he has been instructed to report concerning the progress made by the commissioner [*commission?*] at intervals of six months.

DAVIS

412.00/92 : Telegram

The Ambassador in Italy (Page) to the Acting Secretary of State

ROME, *April 7, 1919, 5 p.m.*
[*Received April 8, 12.14 p.m.*]

2762. Referring to the Department's 2042, March 14, 4 p.m. received through London Embassy. Foreign Office replies today to urgent memorandum of Embassy dated March 16 as follows:

"The Royal Ministry for Foreign Affairs has the honor to give the following answer to the *note verbale* number 2404 of the American Embassy dated March 16 concerning the Mexican law of November 24, 1917, for claims in connection with this country caused by the revolution.

With regard to the commission of arbitration destined to decide irrevocably as a court of appeals the claims of foreigners the Royal Government considers that the institution of this commission constitutes as far as it (the Royal Government) is concerned a deviation which the Mexican Government has seen fit to make without

warning to the Royal Government from the terms of the Italian Mexican general treaty of arbitration of October 16th, 1907, [under] which all controversies between the two states must on the contrary be decided by a court of arbitration composed in accordance with article 4 of the said terms.

The Royal Government does not consider that it is able to accept purely and simply such a deviation decided without its consent. Hence the Royal Minister to Mexico has received instructions not to commit himself in the matter and not take part in the formation of the commission as the Royal Government intends in any case to make use of the rights due to it from the above mentioned treaty.

The Royal Ministry would be glad if the Federal Government would instruct its representatives [*representative?*] in Mexico to meet the Royal Minister in order to examine the matter together with him.

Delay probably due to M[inister of] F[oreign] A[ffairs] and majority higher Foreign Office officials [being] in Paris.

NELSON PAGE

412.00/95 : Telegram

The Ambassador in France (Wallace) to the Acting Secretary of State

PARIS, *April 17, 1919, 10 p.m.*
[*Received 11.20 p.m.*]

45. Your 7732 March 14, 4 p.m. Foreign Office replies in note to the effect that the French Government has considered it advisable to continue the reserve maintained regarding the Mexican decree concerning claims against its Government, this attitude being in conformity with that of Great Britain, Belgium, and Spain, the countries most interested. French Government has always believed moreover that concerted action by the nations whose interests are involved in the decision of the Mexican Government was doubtless the most efficacious manner of obtaining a change in the provisions of the decree of 1917 and reaching thereby a just and equitable solution of [outstanding difficulties.] The note points out as principal objections, which French Government cannot accept, the provision in article 5 which indirectly tends to evading [payment of] reparation for the damages caused by Huerta, Villa, Zapata, Pelaez, etc., and the provision in article 14, that in case of disagreement between the arbitrators respectively of Mexican Government and interested power the third arbitrator shall be chosen by the President of Mexico. It does not appear that Mexican Government is disposed to effect results since article 17 stipulates that a subsequent law will determine ways and means of procuring the necessary resources to cover indemnities. French Government is

not aware that this law has been passed and a period of three years being allowed the interested parties to file claims the French Government considers that the rights of its nationals remain momentarily reserved, it therefore prefers to wait until such time as the Mexican Government produces more convincing proof of its desire to settle these questions upon a basis of justice and to devote the necessary resources to effect settlements. The note states that according to the latest information there does not seem to be any such genuine disposition on the part of the Mexican Government. Text of note follows by pouch.[16]

WALLACE

412.00/96 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *April 26, 1919, 2 p.m.*
[*Received April 27, 12.24 a.m.*]

2065. Department's telegram number 1961, April 10, 5 p.m.[16] The President of the Claims Commission states that 42 foreign claims have been presented to the Mexican Claims Commission by individuals as follows: American, 8; British, 1; Italian, 2; French, 2; Spanish, 6; German, 12; Chinese, 2; Guatemalan, 1; Dutch, 1; Turkish, 5; Austrian, 2; amounting to approximately 1,500,000 pesos; that Mexican claims amounting to approximately 3,000,000 pesos have been presented; that the commission does not have the power to make awards, but merely makes recommendations to the Federal Executive who will make the awards; that the Federal Executive has not made any awards up to the present time because of the lack of full authorization by Congress; that Congress will pass law fully covering subject during its next extraordinary session.

SUMMERLIN

412.00/99 : Telegram

The Chargé in Mexico (Summerlin) to the Acting Secretary of State

MEXICO, *May 9, 1919, 2 p.m.*
[*Received May 10, 2.10 a.m.*]

2081. Secretary of Mexican Claims Commission today stated that the total amount of claims presented as mentioned in Embassy's telegram 2065 April 26, 2 p.m. included only claims presented to the commission now in session, but that claims to the extent of approximately 43,000,000 pesos had been presented to the former claims com-

[16] Not printed.

mission[18] for damages suffered during the Madero revolution and that all these claims have been taken over by the new commission.

SUMMERLIN

412.00/114

Statement Issued to the Press by the Department of State, July 9, 1919

The attention of the Department of State has been called to an advertisement which appeared in the New York *Sun* of July 7, 1919, entitled "The Truth about Mexico," calling attention of Americans to the Mexican Claims Commission authorized by decrees of President Carranza of November 24 and December 24, 1917,[19] and suggesting that all who have claims cognizable by this Commission should make application at once for damages sustained.

In order that American citizens having claims against Mexico might not be misled by this advertisement the Acting Secretary of State points out that the Government of the United States has not accepted the Mexican Commission referred to in the decrees of November 24 and December 24, 1917, and has not advised American claimants to present their claims against Mexico to this Commission.

In response to a resolution of the Senate of February 7, 1919,[20] with reference to claims against Mexico, the Department of State, replied on March 22, 1919:

"On November 24, 1917, President Carranza, by a decree, provided for the establishment of a Commission for the consideration of claims of foreigners against the Mexican Government and a Board of Arbitration to whom claimants dissatisfied with the awards of the Commission could appeal. This decree is still the subject of diplomatic negotiations with the Government of Mexico with a view to arranging a more speedy and satisfactory method of adjustment and payment of these claims and the Senate will be promptly advised of the result of these negotiations."

On April 26, 1919, the American Chargé d'Affaires at Mexico City advised the Department that the President of the Mexican Claims Commission had stated that "the Commission does not have the power to make awards, but merely makes recommendations to the Federal Executive who will make the awards; that the Federal Executive has not made any awards up to the present time, because of the lack of full authorization by Congress, and that Congress will pass a law fully covering the subject during its next extraordinary session."

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[18] Established June 30, 1911; see *Foreign Relations*, 1912, pp. 934 ff.
[19] *Ibid.*, 1918, pp. 793 and 797, respectively.
[20] *Congressional Record*, vol. 57, pt. 3 (65th Cong., 3d sess.), p. 2898.

The Department of State has not been advised that legislation fully covering the subject has been passed by the Mexican Congress.

412.00/85

The Secretary of State to the Chargé in Mexico (Summerlin)

No. 1024 WASHINGTON, *July 25, 1919.*

SIR: In reply to your Embassy's despatch, No. 1656, of December 11, 1918,[21] with which was forwarded a copy and translation of a note received from the Foreign Office, under date of November 29, 1918, in reply to your Embassy's note, No. 288, of March 29, 1918,[22] on the subject of the Claims Commission constituted by the Mexican Government by the decree of November 24, 1917, you are directed to address the Foreign Office substantially as follows:

In the Embassy's note, No. 288, of March 29, 1918, referring to the language of Article V of the decree of November 24, 1917, providing for the appointment of a Commission to pass upon claims for damages to persons and property growing out of the Mexican revolutions, it was pointed out that such language seemed possibly susceptible of the construction that it was intended to cover only damages caused by "revolutionary forces" operating against the authorities which are regarded by the present Mexican Government as usurpers, and, therefore, as excluding claims for damages caused by those forces revolting against authorities regarded by the present Government of Mexico as legitimate. It was added that this apparently possible construction is not believed to have been contemplated by the Mexican Government, especially as it is alleged by certain American claimants that damages were inflicted upon them by unsuccessful revolutionists, which damages the existing authorities failed to avert, although having the power to do so.

To this statement, the Foreign Office in its reply of November 29, 1918 to the Embassy's said note failed to advert. It is therefore requested that an early indication be given of the views of the Mexican Government on this point.

In its note, the Foreign Office states that Article V of the decree is restrictive, and, therefore, the Claims Commission created thereby could not consider or decide the claims for damages caused by bandits, but that such claims may be taken up through diplomatic channels.

Respecting this statement, it may be observed that the Government of the United States, animated by a desire to assist the Mexican Government in adjusting the troublesome question presented by the claims against it, regrets that the decree, as interpreted by the Foreign Office, should have been made so restrictive in form, and inquires whether it would not be possible to enact legislation so enlarging the scope of the decree as to enable the Commission to make a complete and sweeping disposition of the claims in question.

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[21] *Foreign Relations*, 1918, p. 814. [22] *Ibid.*, p. 807.

It would seem unnecessary to adduce arguments to show that it is highly desirable to provide for such a disposition rather than to leave for diplomatic discussion a large proportion of the claims.

With regard to the provision of Article XIV of the decree respecting the appointment of a third arbitrator in case of a failure upon the part of the two arbitrators first selected to agree upon a third, the Foreign Office points out that the President of the Republic would be unable to modify this provision, since it forms part of a law which only the Congress of the Union can amend. Such being the case, the Embassy ventures to inquire, under instructions from its Government, whether the President of the Republic would not be disposed to urge that Congress take such action. In this connection, the Embassy desires to point out that this provision is regarded by the Government of the United States as of great importance. Indeed, it is hardly too much to say that the retention of a provision, whereby the possibility exists of the appointment by the Mexican Government of two out of the three members of the Arbitration Board, would be likely to arouse such criticism on the part of claimants as greatly to hamper the Department of State in its desire to render assistance to the Mexican Government in the prompt disposition of the claims.

In the note of the Foreign Office, it is stated that the President of Mexico concurs with the Department of State in believing that the period of ten days, prescribed in Article XX of the regulations set forth by the decree of December 24, 1917 for the making of a written statement by the claimant, is too short, and that he is disposed to increase this period to sixty days. The Embassy, therefore, requests to be advised whether such extension has, in fact, been made.

Finally, I am instructed by my Government to say that because of the delay which has occurred in effective dealing by the Mexican Government with the claims of foreigners, there has arisen in this country a feeling that the Government of Mexico is not earnestly endeavoring to bring about a satisfactory adjustment of the matter. In view of this feeling, which my Government is bound to say seems not to be without some justification, it, as at present advised, finds itself unable to recommend to American citizens that they submit their claims to the Commission and Board of Arbitration provided for in the Decrees mentioned, and must point out the desirability of the establishment of an arbitral tribunal of undoubted international standing to deal with such claims.

I am [etc.] ROBERT LANSING

412.00/110

The Chargé in Mexico (Summerlin) to the Secretary of State

No. 2374 MEXICO, *September 10, 1919.*
[*Received September 22.*]

SIR: With reference to the Embassy's telegram No. 3161 of September 1, 4 P.M.,[23] giving extracts from a Presidential Decree, as

[23] Not printed.

published in the press of this city, modifying the Presidential decree of November 24, 1917, (forwarded to the Department with the Embassy's despatch No. 634 of December 5, 1917),[24] which created a commission to pass upon claims for damages growing out of the Mexican revolution, I have the honor to transmit, herewith, the text of the first mentioned decree together with a translation. The decree has not yet been published in the *Diario Oficial* but the enclosed copy was furnished me today by the Department of Hacienda.

As stated in the telegram in reference, the principal changes which the new decree makes in the decree of November 24, 1917 are as follows:

1.—The following additional claims will be received:

First:—Those growing out of post-revolutionary disorders in Mexico, provided the damages caused by rebels or bandits resulted from some act, leniency or neglect of the legitimate authorities.

Second:—Those growing out of killing or injuring individuals, provided the victim is not at fault.

2.—The proof necessary to establish claim is lessened.

3.—The Executive is authorized to enter into international conventions to submit the claims of the citizens of any country to a permanent mixed commission.

4.—Claims of public service companies which were taken over by the Mexican Government may be submitted directly to the Executive for adjudication.

5.—Claims due to injury or death are to be paid as soon as allowed.

The changes above enumerated are covered in Article 1, Article 3, Section IV, Article 6, Article 8, Section III, Articles 13, 14 and 17, and Transitory Article 1 of the new decree. I have not had an opportunity to make a careful study of the remaining articles, but they appear to embrace no important changes and to differ mainly in phraseology from the corresponding articles of the old decree.

The Department will be furnished with copies of the official text of the Decree as soon as it is published in the *Diario Oficial*.

I have [etc.] GEORGE T. SUMMERLIN

[24] Decree printed in *Foreign Relations*, 1918, p. 793; despatch not printed.

102569—34——46

[Enclosure—Translation [25]]

Executive Decree of August 30, 1919, Establishing a Claims Commission

I, VENUSTIANO CARRANZA, Constitutional President of the United Mexican States, to the inhabitants thereof make known:

That in use of the extraordinary powers in the Department of the Treasury conferred upon me by the Congress of the Union by the Law of May 8, 1917, and

WHEREAS the experience of over a year of work by the Claims Commission counsels the expediency of reforming the Claims Decree of November 24, 1917, not only in respect to its operation, but in order to increase the sphere of its functions;

WHEREAS even though Constitutional order was reestablished on May 1, 1917, there has continued to exist for a considerable length of time a certain state of revolt in some portions of the country, during which damages have continued to take place to persons and properties, which should also be included in the General Claims Decree; and especial attention must be given to those caused by death or injury, which were not expressly included in the Decree of 1917; and lastly,

WHEREAS it has always been the firm intention of the Mexican Government emanating from the Constitutionalist Revolution, to indemnify justly all those who may have suffered damages by reason of revolutionary movements, and it is therefore necessary to remove all such obstacles as might lead to doubt as to the sincerity of these intentions, particularly as regards foreign claimants, who, not finding the former law sufficiently explicit, might have withheld the presentation of their claims;

I, THEREFORE, in view of the foregoing considerations, have seen fit to decree the following

LAW ON CLAIMS FOR DAMAGES ARISING FROM THE REVOLUTION

ARTICLE 1.—In conformity with the Decree of May 10, 1913,[26] issued at Monclova, State of Coahuila, by the First Chief of the Constitutionalist Army, there is established in the City of Mexico a Commission under the Department of Hacienda, which will handle claims for damages to persons or property arising out of the revolutionary movements which have occurred in the Republic since the 20th of November, 1910, and of the subsequent state of revolt which continues to exist in some regions of the country.

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[25] Substituted for file translation.
[26] *Foreign Relations*, 1913, p. 955.

ARTICLE 2.—The Claims Commission referred to in the preceding article shall be composed of a president and four members, to be named by the Federal Executive. The said Commission shall, in turn, name the secretaries and other employees required for the proper handling of its work.

ARTICLE 3.—The present law covers claims which are based on damages caused:

I.—By revolutionary forces or those recognized as such by the legitimate governments which may have been established in the Republic upon the triumph of the respective revolution.

II.—By forces of those same governments in the exercise of their functions during the struggle against the rebels.

III.—By forces composing the old Federal Army up to the time of its dissolution, and

IV.—By outlaws or rebels, when proof is presented that the damage caused was brought about in consequence of any act, negligence, or omission, blameable to the legitimate authorities charged with affording protection. There shall be no indemnification in the case to which this paragraph refers in the event that the person suffering the damage committed any voluntary act signifying an express recognition of the authority of the rebels or outlaws, or of an intention to assist them against the legitimate authorities.

ARTICLE 4.—The benefits of this law shall not be extended to the authors, accomplices, or concealers of the crimes committed against the constitutional order in the month of February, 1913, or against the Government emanating from the Constitutionalist Revolution. This exception includes all persons who may have shown themselves to be enemies of the Revolutions of 1910 and 1913 and of the new Constitutional order.

All the authorities and public employees of the Federal or local governments are under the obligation of assisting the Commission in its respective investigations.

ARTICLE 5.—Claims under this law, may be based upon: the destruction of private property, the requisitioning of funds, property, animals or merchandise, or any other damages suffered in respect to property, on condition that the claimants shall not already have been indemnified in some other form. As regards property, no claims shall be admitted for losses, that is, for deprivation of profits expected.

ARTICLE 6.—Damages caused by death or injury shall be cause for indemnification, in case the same shall not have been brought about by imprudence or provocation chargeable to the victim. The estimate of damages caused by death shall be made by the Commission in accordance with the Laws of the Federal District Penal Code,

based on the age, civil status, nature of occupation, state of health, and property of the victim.

ARTICLE 7.—Claims shall be presented in writing, in Spanish, stating therein correctly, the name of the individual or firm, nationality, residence, the places and dates of the occurrences originating the claim and the persons who may have participated therein, and the nature of the damages suffered and the amount in national gold claimed as indemnification.

ARTICLE 8.—The procedure to be followed in handling claims shall be determined by governing regulations, in conformity with the following bases:

I.—The Commission shall receive all claims which may be presented, examine them carefully, and if they fulfill the basic requirements prescribed by this law, it shall declare the claim accepted.

II.—It shall request of the respective authorities the information it deems expedient with a view to deciding whether the claim is in order or otherwise, or to fix the amount of indemnification to be considered. During the course of these proceedings, the proofs which the interested parties may offer or submit shall be received.

III.—The Commission may accept any kind of proof which, in its judgment, is humanly sufficient to produce conviction in the concrete case, even though the same may be different from that stipulated in the Laws of Procedure, or even though it may not possess the force of evidence in conformity therewith, the same being left to the rational judgment of the members of the Commission, but the fact that the same may have been taken into consideration in any concrete case shall not serve as a precedent for the forced acceptance thereof in other analogous cases.

IV.—When the reports and proofs referred to in the preceding paragraphs have been received, the file shall be shown to the claimant in order that he may submit in writing a statement of what he considers proper in defense of his rights.

V.—Based on the evidence on file, the Commission shall draw up a report proposing an appropriate decision.

VI.—The report in question shall be communicated to the interested party, in order that he may state in writing his conformity therewith or his reasons for nonconformity.

VII.—This last requirement having been complied with, the file shall be submitted to the President of the Republic, through the Department of Hacienda, for final decision, in cases not involving foreigners who may have stated their nonconformity with the report of the Commission, as in the latter case, the procedure shall be that outlined in Articles 12 and 13 of this Law.

ARTICLE 9.—It shall be understood that the fact that the claimant applies to the Commission in the administrative form established by this Law, precludes him from the right of handling the same claims through judicial channels.

ARTICLE 10.—Foreigners shall attach to the document in which the claim is formulated, evidence in proof of their nationality, and those who do not do so shall be considered Mexicans for the effects of this Law.

ARTICLE 11.—Foreign claimants who may have proven themselves to be such, and who do not accept the findings of the Commission, may present their views either directly to the Commission, or through diplomatic channels.

ARTICLE 12.—The findings of the Commission with regard to the claims of foreigners, which may have been objected to by the interested parties, shall be submitted to an Arbitration Committee composed of three members, of whom one shall be appointed by the President of the Republic, another by the diplomatic agent of the country to which the claimant belongs, and the third by common agreement of the first two. If this latter should not be possible, the Executive shall also appoint the third member, choosing him from among the nationals of a country having no claims to make for account of damages caused by the Revolution. The appointment of arbiters shall not include diplomatic or consular agents.

ARTICLE 13.—The Arbitration Committees spoken of in the preceding article shall handle exclusively the case for which they may have been appointed, unless the Executive may have entered into international agreements for the formation of Mixed Permanent Committees to handle all the claims of the nationals of any given country.

The Arbitration Committees shall decide by majority vote, and their decisions shall be final.

ARTICLE 14.—Indemnities payable to railway enterprises or to other public service corporations, which may have been taken over or expropriated by the Government for military operations or by reason of the abnormal conditions which have prevailed in the country, shall not necessarily be subject to the Claims Commission, but the indemnities which shall be payable to them may be stipulated by means of agreements entered into through the appropriate departments.

ARTICLE 15.—The right to present claims for damages caused from November 20, 1910 to the date of this Law, shall terminate on the 1st of September, 1920. Those arising out of damages which may be caused in the future shall terminate one year after the occurrence giving rise to the claim may have taken place.

ARTICLE 16.—Claims arising from the Revolution of 1910 which may have been submitted to the Consultive Commission created by virtue of the Law of May 31, 1911, shall be considered as having been presented in due time, and shall be handled by the new Commission, taking the files in the state in which they may be at this

time, and continuing the handling thereof in conformity with this Law and its Regulations.

Judicial and administrative investigations made during the usurpation régimes, shall be revalidated or otherwise, in each case, totally or partially, as the Commission may judge proper.

ARTICLE 17.—A special law shall determine the form and conditions of payment of the indemnities decreed by virtue of this Law but those resulting from death or injury shall be paid in cash as promptly as they may be approved by the Executive.

TRANSITORY

ARTICLE 1.—The Commission shall consider its labors to have been ended when, for a period of three months, no new claims shall be presented. In this case, the Claims Commission shall continue its labors for the sole purpose of deciding upon claims presented,—and upon conclusion of the same, it shall be dissolved. The claims which for any reason may not have been presented prior to the dissolution of the Commission, and which may not have been barred, may be presented to the Department of Hacienda, in case the interested party chooses the administrative channel.

ARTICLE 2.—This law shall become effective the day of its promulgation.

I, therefore, order that this be printed, published, distributed and given due compliance.

GIVEN at the Palace of the Federal Executive Power, in Mexico on the 30th day of August, 1919.

V. CARRANZA

FINANCIAL AFFAIRS

Formation of an International Committee of Bankers to Represent Mexico's Creditors—Attitude of the American Government

812.51/547

Mr. Thomas W. Lamont to the Counselor for the Department of State (Polk)

Personal

NEW YORK, *November 18, 1918.*
[*Received November 20.*]

DEAR MR. POLK: Referring to my brief conversation with you on the telephone last week, I suggest that you do send for my correspondence with Auchincloss[26] and you will then note what the whole

[26] Gordon Auchincloss, assistant to the Counselor for the Department of State; correspondence not printed.

situation is. You will remember that several weeks ago I conferred with him and you and Ambassador Fletcher on the advisability of having a committee constituted (not by the State Department but by banking interests), representing respectively, America, Great Britain and France, the thought being that the time had come when the appointment of such a committee would be advisable.

As a matter of fact our house had been urged by British and French interests for a long time back to head such a committee but we had not thought the time right.

The matter was left, you will remember in this way; we were to sound out the banking communities of London and Paris and learn definitely as to whether they would now like to join America in forming a committee to look after international investment interests in Mexico; and Fletcher was to talk with Carranza to find out whether he could not get Carranza to ask him to have such a committee started, so that we could be assured of Carranza's cooperation beforehand.

We have conferred with London and Paris and find them in approval of the said idea. Paris has suggested that such a committee be made up, 50% from America and 25% each from Paris and London. London has not committed itself to this particular detail. That is not a matter of large consequence. For your private information London and Amsterdam are both pushing now for the appointment of various committees as to Mexican Railways and we believe that it is of importance that any such movement should be forestalled by the appearance of an omnibus committee such as I have described and such as was fully talked over with Mr. Auchincloss. I don't suppose that there is any way of stirring up Fletcher to prompter action because he is already very keen on the matter, but this letter together with the correspondence with Mr. Auchincloss will serve to bring you up to date.

Very truly yours,

T. W. LAMONT

I may be in Washington on Friday & perhaps you can give me a moment.

812.51/549

Mr. Thomas W. Lamont to the Acting Secretary of State

NEW YORK, *December 13, 1918.*
[*Received December 18.*]

DEAR MR. POLK: Referring to our previous correspondence with you on this matter, I am sorry that we have not as yet had any definite word from Ambassador Fletcher, though I quite anticipated

that there might be serious delay. The difficulty is that now almost all the interests involved are under various pressure from one quarter or another, which may make it necessary to announce, in the near future, the appointment of an international committee of bankers formed for the purpose of protecting the interest of their nationals in the Mexican situation. My last letter to you, of November 18th, will sum up for you the situation as it was at that time. Since then it has not changed except on the point of having this pressure become more acute.

Frankly, what we fear is, that, unless we act and make an announcement, we shall find that the situation has been taken in hand by some houses of less weight and influence, and able in less degree to command co-operation with the French and British interests. You will recall, I think, that in the group which we proposed to lead, for the handling of this matter, we included the leading houses on this side of the water, and no doubt the British and French representatives would name similar houses from their side.

Without wishing in any way to embarrass you, or to commit you, am I not right in understanding that if we find the pressure becomes too insistent, it will be all right for us to proceed with the formation and announcement of a committee, as indicated?

Sincerely yours,

THOMAS W. LAMONT

812.51/549

The Acting Secretary of State to J. P. Morgan and Company[26]

WASHINGTON, *January 7, 1919.*

GENTLEMEN: I acknowledge the receipt of your letters of November 18 and December 13, 1918. Both letters relate to the formation of an International Committee of Bankers, to be guided by leading American houses, which should work in conjunction with British and French representatives, for the purpose of protecting the interests of their nationals in the Mexican situation. It is understood that Americans would retain the direction of the proposed Committee, which would comprise substantial international groups designed to represent practically all of Mexico's creditors and capable of dealing with the situation as a whole.

In reply I have to advise you that the Department is not in a position to object to the formation of such a committee, and that

[26] Marginal note on signed original reads: "After this letter was signed, but before it could be sent out, Mr. Polk orally conveyed to Mr. Martin Egan [of J. P. Morgan and Co.] his approval of the organization of the Committee, and I held this letter up, with Mr. Polk's permission, because it was deemed to be preferable to let his oral assurances stand. Bo[az] L[ong]."

Ambassador Fletcher recently stated that he considered it inadvisable to broach the subject to President Carranza.

I am [etc.] FRANK L. POLK

812.51/480 : Telegram

The Acting Secretary of State to the Ambassador in Mexico (Fletcher)

WASHINGTON, *January 15, 1919, 6 p.m.*

1806. Your 1844, December 23, 2 P.M.[27] Present indications are that an international committee of bankers is about to be formed for the purpose of protecting the Mexican interests of the nationals of the governments represented on the committee. It is understood that Americans would retain the direction of the proposed committee which would comprise substantial international groups designed to represent practically all of Mexico's creditors and capable of dealing with the situation as a whole.

It is the Department's understanding that the bankers will not now publicly announce the formation of this committee.

POLK

812.51/502

Memorandum of the Chief of the Division of Mexican Affairs (Long) to the Assistant Secretary of State (Phillips)

Confidential [WASHINGTON,] *February 24, 1919.*

DEAR MR. PHILLIPS: When Ambassador Fletcher was here on his last trip[28] the matter of organizing an International Committee of Bankers was discussed with Mr. Polk and Mr. Fletcher. Mr. Fletcher was to sound the Mexican Government and report its attitude with respect to the organization of such a Committee.

Before Mr. Fletcher could do so, a British banker, Mr. Honey, endeavored to negotiate certain financial transactions with Carranza, the up-shot being that Fletcher thought it more expedient not to sound Carranza with respect to the formation of the International Committee of Bankers.

From what Mr. Martin Egan told me I assume that certain pressure from Great Britain and France caused American bankers to take the initiative, and the International Committee of Bankers was formed.

I handled the Departmental end of the matter until Mr. Fletcher arrived. My last word on the subject was that neither the Depart-

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[27] Not printed.

[28] In October, 1918.

ment nor the interested bankers were to make public the details regarding the formation of the committee.

Mr. Fletcher has not kept me advised of developments. Mr. Egan has been here once or twice since my last interview with him and the ban on publicity may have been lifted.

The statement contained in *The Post* of this morning is substantially correct as to representation—10 Americans, 5 British, 5 French. AmMission, Paris, was informed of this in a cable sent about a week ago through the office of Mr. Winslow.[30]

Bo[AZ] L[ONG]

812.51/566

Mr. Thomas W. Lamont to the Ambassador in Mexico (Fletcher), on Duty in the Department of State

NEW YORK, *December 23, 1919.*
[*Received December 27.*]

DEAR MR. FLETCHER: I had a little chat with you this morning on the subject of the composition of the International Bankers Committee on Mexican affairs, and I explained to you that our view was that it was unwise for us here on this side of the water to insist that American representation on the committee, should, in members, always be maintained exactly equal to the total representation abroad. In other words, we favor inviting to a seat upon the committee, representatives of the Dutch and Swiss interests, which are very considerable. It will be wiser to give them a seat upon the original committee, than to have them act through France and England.

The views of the Department of State which you have represented from time to time to us, have been that in such event we ought to bring our numbers up on this side of the water.

We think it would seem "small" to our friends across the water to press this point; in fact we are not particularly keen to add to the members here. The real point involved is, of course, effective control of policy to be maintained by the Department of State, and that is already understood and agreed to. Therefore, if you can see your way clear to write us saying that the details of the composition of the committee, as to its exact numbers, you are willing to leave to our judgment, we shall be able to clear the matter up.

Here is a cable that came in over a month ago from our London house in the matter.[31] It records Curzon's[32] position and I am not

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[30] L. Lanier Winslow, of the Office of the Counselor of the Department of State.

[31] The cable was not enclosed.

[32] Earl Curzon of Kedleston, British Secretary of State for Foreign Affairs.

surprised. Therefore, if you are still in accord with our talk of this morning, we propose to cable in reply:

American Group now agrees with you that it will be wise to add Dutch Swiss representatives and we propose to make no further increase in number of American committee at present time.

Sincerely yours,

THOMAS W. LAMONT

812.51/566

The Ambassador in Mexico (Fletcher), on Duty in the Department of State, to Mr. Thomas W. Lamont

WASHINGTON, *December 27, 1919.*

DEAR MR. LAMONT: I have submitted your letter of December 23rd last, on the subject of the composition of the International Bankers Committee on Mexican Affairs, to Mr. Polk, who is Acting Secretary of State in the absence of Mr. Lansing, and he authorizes me to inform you that the Department is willing to leave the details of the composition of the Committee to your judgment, provided always that the effective control of policy remains in our hands.

Sincerely yours,

HENRY P. FLETCHER

NETHERLANDS

AGREEMENT BETWEEN THE UNITED STATES AND THE NETHERLANDS EXTENDING THE DURATION OF THE ARBITRATION CONVENTION OF MAY 2, 1908 [1]

711.5612/19

The Netherland Minister (Cremer) to the Acting Secretary of State

WASHINGTON, *December 4, 1918.*

SIR: Under instructions of my Government I have the honor to bring the following to your courteous attention.

The Netherland–American Arbitration Convention of May 2, 1918 [*1908*], which was concluded for a period of five years, has been extended by agreement of May 9, 1914 for a further period of five years from March 25, 1914 and will consequently expire on March 25, 1919.

The Netherland Government would like to see the aforesaid arbitration convention extended for another period of five years. A draft agreement by which this could be effected, is enclosed herewith.[2] As the approval of the Netherland Parliament is required before my Government will be able to ratify the agreement my Government will much appreciate if this agreement could be concluded at the earliest possible date so that it may become effective on March 25, 1919 at the latest.

I would therefore be greatly obliged if through your usual courtesy I could be informed at your earliest convenience whether the United States Government is ready to extend the Arbitration Convention of May 2, 1908 and if so whether that Government approves the enclosed draft agreement. In case the United States Government might desire to amend this draft I will be glad to transmit any suggestion to that effect.

Please accept [etc.]

For the Minister
W. DE BEAUFORT

711.5612/19

The Acting Secretary of State to the Netherland Minister (Cremer)

No. 6 WASHINGTON, *January 24, 1919.*

SIR: I have the honor to acknowledge the receipt of your note of December 4, 1918, in which you inform the Department that your

[1] For text of convention of 1908, see *Foreign Relations*, 1909, p. 442.
[2] Not printed; substantially the same as the final text, p. 651.

Government is anxious to extend for another period of five years the Arbitration Convention of May 2, 1908, extended by agreement of May 4 [*9*], 1914, and which will expire on March 25, 1919.

The draft of agreement enclosed with your note is satisfactory to the Department of State, which will prepare the agreement for signature and notify you of the time fixed for that ceremony.

Accept [etc.]

For the Acting Secretary of State:
WILLIAM PHILLIPS

Treaty Series No. 641

Agreement between the United States of America and the Netherlands, Signed at Washington, March 8, 1919 [3]

The Government of the United States of America and Her Majesty the Queen of the Netherlands, being desirous of further extending the Convention of Arbitration concluded between them on May 2, 1908, which Convention in consequence of Article I of the Agreement between both High Contracting Parties of May 9, 1914, will remain in force until March 25, 1919, have authorized the undersigned, to wit:

Frank L. Polk, Acting Secretary of State of the United States, and

J. T. Cremer, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands at Washington, to conclude the following Agreement:

ARTICLE I

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, which in consequence of Article I of the Agreement of May 9, 1914, will remain in force until March 25, 1919, is hereby extended and continued in force for a further period of five years from March 25, 1919.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands, and it shall become effective upon the fourteenth day after the

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[3] In English and Dutch; Dutch text not printed. Ratification advised by the Senate, July 17, 1919; ratified by the President, July 29; ratified by the Netherlands, May 1; ratifications exchanged at Washington, Aug. 22; proclaimed Aug. 25.

date of the exchange of ratifications which shall take place at Washington as soon as possible.

Done in duplicate at Washington, in the English and Dutch languages, this eighth day of March, one thousand nine hundred and nineteen.

[SEAL] FRANK L. POLK
[SEAL] J. T. CREMER

ASYLUM OF THE FORMER GERMAN EMPEROR AND THE CROWN PRINCE IN THE NETHERLANDS

862.001W64/103 : Telegram

The Special Representative (House) to the Secretary of State

PARIS, *November 19, 1918, 5 p.m.*
[*Received November 19, 3.30 p.m.*]

121. For the President. John Garrett [4] who is here would appreciate immediately your opinion regarding the question of the Kaiser's remaining in Holland. He believes that the last Dutch Government fell because they permitted him to cross the border. He says he will be asked immediately upon his return on Saturday concerning the views of our Government. Personally he feels that such close proximity to Prussia will inevitably lead to dangerous intrigues. I share this opinion.

EDWARD HOUSE

862.001W64/42 : Telegram

The Chargé in the Netherlands (Bliss) to the Secretary of State

THE HAGUE, *November 20, 1918, 9 p.m.*
[*Received November 21, 5.27 p.m.*]

5255. My 5028 November 11, 8 p.m. and 5128 November 13.[5] My French colleague informs me that he learns from Minister for Foreign Affairs that Crown Prince as well as his suite and that of Emperor are no longer considered by the Government of the Netherlands as interned. This decision being taken in view of the release in Holland of all interned persons as well as prisoners of war who are interned. Netherlands Premier made statement in Chamber this afternoon to the effect that ex-Kaiser had arrived as private person and would be treated as such, but it was duty of Dutch Government to take care that hospitality will not be abused.

BLISS

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[4] Minister in the Netherlands.

[5] Neither printed.

862.001W64/104 : Telegram

The Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *November 21, 1918, 7 p.m.*

56. For Colonel House: Referring to your No. 121, it is my own feeling that there are many serious disadvantages in having the Kaiser so near his former kingdom and so near also to the centers of intrigue. I am at a loss to suggest what course ought to be taken, but I think that Holland will find him an exceedingly inconvenient and even dangerous guest. Woodrow Wilson.

LANSING

862.001W64/46

The British Embassy to the Department of State

[*Received December 3, 1918.*]

TELEGRAM FROM MR. BALFOUR TO MR. BARCLAY, LONDON, DECEMBER 2ND, 1918

"It is very important that the following communication shall reach the President and Mr. Lansing before departure.

At a Conference of the Governments of France, Great Britain and Italy held in London this morning the three Governments agreed to recommend that a demand ought to be presented to Holland for the surrender of the person of the Kaiser for trial, by an International Court to be appointed by the Allies, on the charge of being the criminal mainly responsible for the war and breaches of International Law by the forces of Germany by land, sea and air.

During its deliberations the Conference had before it the opinion of a Committee of nine of the most eminent Jurists of the British Isles, who recommended unanimously that the Kaiser and his principal accomplices should be brought to trial before a Court consisting of nominees of the principal nations victorious in the war.

In coming to the conclusion set forth above the Conference were influenced by the following principal considerations.

A. That justice requires that the Kaiser and his principal accomplices who designed and caused the war with its malignant purpose or, who were responsible for incalculable sufferings inflicted on the human race during the war, should be brought to trial and punished for their crimes.

B. That certain inevitable personal punishment for crimes against humanity and international right will be a very important security against future attempts to make war wrongfully or to violate International Law and is a necessary stage in the development of the authority of a League of Nations.

C. That it will be impossible to bring to justice lesser criminals, such as those who have oppressed the French and Belgians and other peoples, committed murder on the high seas, and maltreated prisoners of war, if the arch-criminal, who for 30 years has proclaimed himself the sole arbiter of German policy and has been so in fact, escapes condign punishment.

D. That the Court, by which the question of responsibility for the war and its grosser barbarities should be determined, ought to be appointed by those nations who have played a principal part in winning the war and have thereby shown their understanding of what freedom means and their readiness to make unlimited sacrifices in its behalf. This clause is intended to relate only to the composition of the Court which will deal with the crimes committed in connection with the late war and is not intended to prejudice the question of the composition of the International Courts under a League of Nations.

The Conference hopes that the Government of the United States will share its views and cooperate with the Allies in the presentation to Holland of a demand for the surrender of the persons of the ex-Kaiser and of the Crown Prince for trial before an International Court to be appointed by the Allies."

862.001W64/71 : Telegram

The Chargé in the Netherlands (Gunther) to the Acting Secretary of State

THE HAGUE, *July 1, 1919, 6 p.m.*
[*Received July 2, 3.53 p.m.*]

6521. American Mission 302. The French Chargé d'Affaires [6] delivered before 3 p.m. on Saturday last to the Minister for Foreign Affairs a note a copy of which I have only now been able to procure. A translation follows herewith.

"I have the honor to deliver to Your Excellency, in the name of the Allied and Associated Powers, the following communication: 'The Allied and Associated Powers desire, in the interests of peace, to draw the attention of the Government of the Netherlands to the case of ex-Emperor and of the ex-Crown Prince of Germany who at the beginning of last November sought a refuge on Netherlands territory. The Allied and Associated Governments have been much perturbed by the rumors which have been repeatedly spread of late regarding the eventuality that the heir of the Crown of Germany, who is a fighting officer of high rank, should in violation of the laws of war escape from the neutral country in which he is interned. They confidently expect that it will not be permitted that the international obligations should be violated in this case, as also in the infinitely more important case of the ex-Emperor. The latter is not

[6] Fernand Prévost.

only a German officer who has escaped into neutral territory, he was also the potentate whom the whole world, with the exception of Germany, holds to be guilty of having unchained the war and having conducted it according to methods of studied barbarism.

According to the stipulations of the peace treaty which is on the point of being signed with Germany, his conduct will be made the object of judicial prosecution. But he still represents the military party the influence of which has brought about the ruin of his country and has been for humanity the cause of infinite suffering. His escape would react to the credit of this military party and revive declining hopes as [it] would threaten a peace acquired with great difficulty and which even now is not definitely assured. To allow this escape would be an international crime which could not be pardoned to those who would have contributed to it through their negligence or their complicity.

The Allied and Associated Powers are convinced that these considerations will spontaneously commend themselves to the Government of the Netherlands, but they desire to add that in case the latter felt that in the present circumstances the safekeeping of the ex-Emperor carries with it responsibilities more irksome than it is in a position to assume the Allied and Associated Powers are disposed to assume this burden and thereby relieve a neutral state of an ungrateful task which it has not sought but the execution of which constitutes a most weighty obligation.['] Signed, Clemenceau.["]

The communication reached the French Chargé d'Affaires in the form of a telegram signed Clemenceau and as originally worded, he informs me, referred to the escape of the Crown Prince as an accomplished fact. The sentence containing that statement Monsieur Prevost altered as above.

May I request that I be informed whether this communication was sent with your knowledge and approval and if so what attitude you wish me to take in the premises. I cannot but feel that this step was ill advised at the present juncture and fear that the tone of the communication will only serve to make our position in the matter more difficult later on. In its form and choice of expression it certainly does not betray allowance made for the psychology of the Dutch.

GUNTHER

862.001W64/75 : Telegram

The Chargé in the Netherlands (Gunther) to the Acting Secretary of State

THE HAGUE, *July 10, 1919, 6 p.m.*
[*Received July 11, 1.36 a.m.*]

6557. American Mission 311. Confidential. My 6521, July 1, 6 p.m. I herewith [transmit] a translation of the reply[7] of the Minister for

[7] Dated July 7.

Foreign Affairs to the note addressed to him by the French Charge d'Affaires on the 28th ultimo:

"The Minister for Foreign Affairs of the Netherlands has received from the French Charge d'Affair[e]s *ad interim* a communication addressed to the Royal Government by the Allied and Associated Powers regarding the case of the ex-Kaiser and the ex-Crown Prince of Germany.

This communication which according to its terms is only based on rumors contains an admonition to a neutral and friendly Government which has painfully surprised the Royal Government.

The Royal Government is conscious of its international obligations; it is equally conscious of not having failed to fulfill them.

With regard to the case raised by the communication of the powers, it must reserve to itself the free exercise of its sovereignty as to the rights which belong to it and the duties incumbent upon it. Signed. Karnebeek".

I saw the Minister for Foreign Affairs this afternoon but refrained from bringing up this question. Mr. van Karnebeek however after some prefatory remarks concerning the Dutch observed that in the case of the ex-Emperor, accordingly, the Dutch would never consent to take an unlawful action. He added that he had been much interested in reading the memorandum concerning the ex-Kaiser prepared by Mr. Lansing and Doctor Scott [7] and in thus becoming acquainted with our attitude. May I request that a copy of this memorandum be sent to me as soon as possible.

GUNTHER

862.001W64/80 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 21, 1919, 8 p.m.*
[*Received July 22, 10.50 a.m.*]

3247. Referring Hague's 6521, July 1, 6 p.m., and 6557 July 10, 6 p.m. The following further telegram from The Hague has been received as number 315, July 15, 6 p.m.[8]

"My British colleague informs me that van Karnebeek has talked to him at length in regard to the ex-Kaiser question and after sketching in so many words the ridiculous position in which Clemenceau's communication might place us if we really wanted to get the ex-Kaiser, remarked that he knew of [*from*] Mr. Lansing's memorandum that the American Government was not in accord with policy being pursued. I have had no decisive answer from Department to my 6521, July 1, 6 p.m. (number 302 to you) and 6557 July 10, 6 p.m. (number 311 to you).["]

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[7] Not printed; Dr. James Brown Scott was technical adviser to the Commission to Negotiate Peace.

[8] Also received at the Department of State, as No. 6571.

American Mission has replied as follows

"Your telegram 302, July 1, 6 p.m.; 311, July 10, 6 p.m.; and 315, July 15, 6 p.m. Copies of pamphlet containing memorandum by Mr. Lansing and Doctor Scott have been sent to you by courier. Your non-committal attitude in the matter of the case against the Emperor and Crown Prince is approved. As the note which was handed in by the French Charge d'Affaires was sent with American Mission's knowledge and approval you should carefully avoid any expression of a statement which, if made known to our associates, would tend to question our good faith. American Mission will be glad to have you communicate fully whatever further information you may obtain regarding the subject matter of the cables."

AMERICAN MISSION

862.001W64/93 : Telegram

The Chargé in the Netherlands (Gunther) to the Secretary of State

THE HAGUE, *December 7, 1919, 1 p.m.*
[*Received 5.07 p.m.*]

7047. The Minister for Foreign Affairs confided to me the demand for the "extradition" of the ex-Kaiser was about to be made and he asked me if I also knew this and I replied that I did not.

GUNTHER

862.001W64/93 : Telegram

The Secretary of State to the Chargé in the Netherlands (Gunther)

WASHINGTON, *December 13, 1919, 2 p.m.*

3724. Your 7047, December 7, 1 p.m.

Department is without information in this matter. For your information and guidance following are quotations from telegram to Ammission, Paris, November 27:[2] "In view of the failure of the Senate to ratify the treaty the President feels that you should withdraw immediately the American representatives on all commissions growing out of or dependent on either the Peace Conference or the treaty" and "Until the Senate takes some action the Department proposes to express no opinion concerning questions arising under the terms of the treaty except those in which it may interest itself because of the necessity to protect American interests."

Following out policy above indicated the United States will not at present support any demand for the extradition of the ex-Kaiser or participate in any way in his trial should it occur.

LANSING

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[2] Printed in full in vol I, p. 21.

862.001W64/94 : Telegram

The Chargé in the Netherlands (Gunther) to the Secretary of State

[Paraphrase]

THE HAGUE, *December 15, 1919, 3 p.m.*
[*Received 8.40 p.m.*]

7061. Confidential. Your 3724, December 13. Neither French nor British Ministers have information concerning any request about to be made for ex-Emperor's surrender. This I have learned since my 7047 December 7. In my presence not long ago the new French Minister, M. Benoist, asserted that Clemenceau had hinted his indifference towards the entire matter when bidding him adieu some weeks ago.

GUNTHER

NICARAGUA

BRITISH CLAIMS AGAINST NICARAGUA—GOOD OFFICES OF THE UNITED STATES

417.41/–

The British Ambassador (Spring Rice) to the Secretary of State

No. 187 WASHINGTON, *June 29, 1916.*

SIR: With reference to my note No. 97 of April 12[1] and your reply No. 1160 of May 5[2] I have the honour under instructions from His Majesty's Principal Secretary of State for Foreign Affairs to enclose herewith four lists of British Claims against the Nicaraguan Government.[3]

List 1 comprises claims for arbitrary acts and on account of War exactions.

List 2 comprises claims for cash or goods supplied or services rendered to the Nicaraguan Government and recognized by them.

List 3 comprises Promissory Notes of the Nicaraguan Government received by British subjects in payments of debts.

List 4 comprises Promissory Notes of the Treasurer of the Republic of Nicaragua held by British firms in guarantee of amounts due to them by local firms.

Certified copies of the documents proving the acknowledgment by the Nicaraguan Government of all the claims and debts referred to in Lists 2, 3 and 4 are in possession of His Majesty's Embassy and can be submitted to your Department for convenience of reference should you so desire.

As regards the claims enumerated on List 1, they were, as stated in my Note to you No. 393 of October 28 1915,[4] recognized by the Nicaraguan Government in 1912 in a formal agreement with His Majesty's Government whereby the former agreed to pay the sum of £15,800 *cash* in settlement of outstanding claims of British subjects up to that date, also £4000, for claims arising out of the revolution of 1912, i.e. a sum of £19,800, together with accrued interest. These claims are accordingly on a different footing from those on the other lists and in any settlement that may be arrived at they should be paid in full.

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[1] *Foreign Relations*, 1916, p. 833.
[2] *Ibid.*, p. 836.
[3] Not printed.
[4] *Foreign Relations*, 1915, p. 1118.

It is possible that other holders of British claims may come forward and reservation is made as to their inclusion before a final settlement is reached.

The claims of holders of Greytown bonds have not been included in any of the lists.

I shall be glad to be informed, should there be no objection, of the manner in which it is proposed to execute Article III of the Treaty between the United States and Nicaragua.[5]

I have [etc.]

For the Ambassador:
COLVILLE BARCLAY

417.41/–

The Acting Secretary of State to the British Ambassador
(Spring Rice)

No. 1252 WASHINGTON, *July 25, 1916.*

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note of the 29th ultimo, enclosing four lists of claims against Nicaragua for consideration in connection with the distribution of the amount to be paid to Nicaragua in accordance with the recent Treaty with that country.

The Department regrets that it cannot, at the present time, outline any plan for the distribution of the amount to be paid to Nicaragua pending the actual appropriation and an arrangement with the Republic looking to that end.

The claims submitted will, however, receive the Department's careful consideration along with many other similar ones now on file.

I have [etc.] FRANK L. POLK

417.41/5

The British Embassy to the Department of State[6]

No. 142 MEMORANDUM

The British Embassy have received instructions to bring to the notice of the State Department the following points in connection with British claims against the Nicaraguan Government, with special reference to the "Legation claim" of £19,800 0.0. It will be within the knowledge of the Department that the Nicaraguan Government

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[5] *Foreign Relations*, 1916, p. 851.

[6] The substance of this memorandum was transmitted to the Minister in Nicaragua in a telegram of Feb. 16, 1918, 4 p.m., with instructions: "Please bring suggestion by informal good offices to attention Nicaraguan Government and Commission for its careful consideration." (File No. 417.41/5a.)

had undertaken to pay this amount with interest, which would bring the total of the claim to about £25,500.0.0.

His Majesty's Minister at Guatamala reports that he is informed by a member of the Claims Commission now sitting[7] that £9000.0.0. in cash can be offered in payment of these claims. Of the items under consideration the claim for £10,000.0.0. on behalf of the London Bank of Central America had been reduced to £1000.0.0., thus leaving £8000.0.0. for the settlement of the remaining claim amounting to £9800.0.0.

The British Government cannot but consider that the reduction of the Bank claim to £1000.0.0. is excessive. In the circumstances they will be willing to agree to accept £8000.0 0. in cash as a settlement of the remaining claims, and it is suggested that a settlement might be made on this basis, the Bank being left to bring its claims before the Commission itself. The Commission having by their award admitted the justice of the claims other than that of the Bank, the British Government consider that there could be no objection to these claims being settled, as proposed, by the payment of £8000.0.0. in cash, the question of the Bank claim being held over for further consideration by the Commission.

In making this suggestion the British Embassy are instructed to point out that the British Government have shown their anxiety to facilitate the settlement of these claims by their recognition of the Commission. It has always been held that the Legation claim as a whole was not subject to further revision, and the fact that a reduction of the claims has been accepted is a further indication of the desire of the British authorities to consent to a settlement which would be not unduly onerous to Nicaragua. In the circumstances they feel that the suggestion indicated above for separating the Bank and the other claims and settling these latter on the basis proposed by the Commission, should be acceptable to the United States authorities, and the Embassy have been instructed to enquire whether the State Department feel able to support this suggestion.

WASHINGTON, *January 29, 1918.*

417.41/7

The Department of State to the British Embassy

MEMORANDUM

WASHINGTON, *March 15, 1918.*

Referring to the British Embassy's memorandum No. 142, of January 29, 1918, wherein are set forth certain points in connection

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[7] See *Foreign Relations*, 1917, p. 1119, and 1918, pp. 823 ff.

with British claims against the Nicaraguan Government, with special reference to the "Legation claim" of £19,800–0–0, the Department of State advises the British Embassy of the receipt of a telegram of March 4, 1918, from the American Minister at Managua,[7] reporting that, in order to reach an early settlement of the claim, the Commission is willing to make a further concession and award £9,000 in cash and £1,000 in bonds, and that they consider this a very fair offer, in view of the character of the claim and the large percentage of cash, as compared with the settlement of other foreign claims in the same category.

The substance of the telegram from the Minister at Managua was communicated to the British Embassy by telephone on March 7.

417.41/9

The British Embassy to the Department of State

No. 294 MEMORANDUM

The British Embassy have the honour to refer to their memorandum No. 142 of the 29th January last with regard to the proposed settlement of British claims against the Nicaraguan Government.

The suggestion was made in this memorandum that it was advisable, in view of the drastic reduction made by the Commission in the claim of the London Bank of Central America, that this claim should be separated from the remaining items included in the "Legation claim", and that the remaining items should be settled on the lines suggested by the Commission, the Bank claim being reserved for future settlement.

The Embassy was informed verbally by the Department on the 7th instant that the Commission was unwilling to agree to the separation of the Bank claims from the other claims, and had suggested the payment of a sum of £9,000.0.0. in cash and £1,000.0.0. in bonds in settlement of the whole Legation claim. The matter being somewhat urgent the British Government was informed by telegraph of this verbal reply, and the Embassy have now received instructions to inform the Department that, if the Nicaraguan Claims Commission are unable to consent to the separation of the Bank Claim from the others the British Government will have no alternative but to refuse the offer made by the Commission, reluctant though they are to adopt such a course. The result of this will presumably be that it will become necessary to deal with each claim separately, and His Majesty's Government fear that an unfortunate impression may

[7] Not printed.

be produced when the situation is explained, as it will seem that the value of the Legation claim was damaged rather than enhanced by the exchange of notes on the subject between the British Minister and the Nicaraguan Government, which took place after a full investigation and discussion of the claims. If, on the other hand, the Bank claim was to be separated from the other items, the only result would be that this claim would have to be considered anew, the remaining items being settled, and this position would, in the opinion of the British Government, be much preferable to that which would result from the re-opening of the whole question of the Legation claim.

The British Government also find themselves unable to concur in the view which they understand is taken by the Commission of the Bank Claim. This claim was the subject of a very careful investigation, as a result of which it was reduced from the original figure of £80,000.0.0. to £10,000.0.0. with the object of facilitating a settlement. If it should become necessary to refer the claim to arbitration it might be difficult to avoid re-opening the question of its amount.

For the above reasons the British Government are most anxious to assent to any settlement of the Legation claim which could properly be accepted by them, having due regard to the interests of the claimants, and the British Embassy have been instructed to enquire whether the United States Government would not feel justified in using their good offices with a view to securing such a settlement, and thus taking advantage of the present opportunity for terminating this question.

WASHINGTON, *March 19, 1918.*

417.41/9

The Department of State to the British Embassy

MEMORANDUM

The Department of State has the honor to acknowledge receipt of memorandum from the British Embassy, # 294 of March 19, 1918, with regard to the matter of certain British claims against the Government of Nicaragua. In this memorandum the Embassy sets forth the position of the British Government in regard to the above mentioned claims and enquires whether the Government of the United States would not feel justified in using its good offices with a view to securing a settlement such as has been set forth in the memorandum under reply.

The Department of State has given careful consideration to the enquiry of the British Embassy and wishes to state that it has taken pleasure in transmitting the substance of the memorandum of March 19, last, to the Legation at Managua with instructions to bring the matters contained therein to the attention of the Public Credit Commission.

The Department of State feels that the employment of its good offices in this manner may only go so far as bringing to the attention of the Public Credit Commission, in the manner outlined above, the views of the British Government.

With further reference to the question of settlement of claims against the Republic of Nicaragua, the Department wishes to advise the British Embassy that it understands that the awards of the Public Credit Commission of Nicaragua will be paid in the immediate future.

WASHINGTON, *April 2, 1918.*

417.41/9 : Telegram

The Secretary of State to the Minister in Nicaragua (Jefferson)

WASHINGTON, *April 3, 1918, 5 p.m.*

Department transmitted substance your March 4th 10 A.M. to the British Embassy.[9] The British Embassy informs the Department that it has received instructions to state that, if Public Credit Commission are unable to consent to separation of Bank claim from the others, the British Embassy will have no alternative but refuse to [*sic*] the offer made by the Commission, although they are reluctant to adopt such a course; that result would be that it would become necessary to deal with each claim separately and that they fear that an unfortunate impression would be produced upon the situation as explained; that, however, if the Bank claim was to be separated from the other items, the only result would be that this claim would have to be considered anew, the remaining items being settled and this position would be, in opinion of British Government, preferable to that resulting from reopening whole question Legation claim; that British Government unable to concur in view taken by Commission concerning Bank claim; that this claim was carefully investigated and reduced to Ten thousand pounds with object to facilitating settlement; that, if it should become necessary to refer claim to arbitration, it might be difficult to avoid reopening question of amount; that British Government is anxious to consent to any settlement of Lega-

[9] See memorandum of Mar. 15, 1918, to the British Embassy, p. 661.

tion claim which could properly be accepted by them having due regard to interests of claimants; that British Embassy requests good offices United States Government with view to securing such a settlement and taking advantage present opportunity to presenting question.

From this memorandum it would appear that the British Government was not willing to accept award of Commission. Department's position in matter is that it is merely using its good offices to bring matter to attention of Commission, nevertheless, it is inclined to believe that, in order to make prompt settlement of this matter, Commission might settle Legation claim for Eight thousand pounds separating Bank claim and informing British Government that this claim will be referred to High Commission after awards have been paid, and that it will be given consideration and will be settled at such a time as Government of Nicaragua is in a position in the future to make settlement.

Should this arrangement for settlement appear to the Commission to form dangerous precedent, Department prefers to leave matter entirely in hands of Commission and will use its good offices in transmitting Commission's reply to the British Embassy, at the same time informing the Embassy that Commission is about to proceed with its payments.

LANSING

417.41/10 : Telegram

The Minister in Nicaragua (Jefferson) to the Secretary of State

MANAGUA, *April 7, 1918, 10 a.m.*
[*Received April 8, 8.30 a.m.*]

In reply to Department's April 3, 5 p.m., the Commission wishes to reiterate that it considers offer of £9,000 cash and £1,000 bonds on [*an*] extremely liberal offer in view of the situation of the Government of Nicaragua, an ally of the United States. The percentage of cash is much higher than other foreign diplomatic claims which they allege are equal in standing and equity to British claim. It should not be overlooked that about 800,000 cash was not [*sic*] paid from canal funds to English bondholders and that this sum included interest on unpaid interest coupons. On all Nicaraguan claims all interests, even on cash loans to Government, have been eliminated.

Confidential. The British Government received no official information from the Commission as to its appraisal of the bank claim, but Minister Young told Commission unofficially that an offer of £10,000 would probably be accepted. Martin, British Vice-Consul and former manager of this same bank, has never advocated claim;

offer on all other claims was tentative, and made liberal in order to obtain acceptance of claim as a whole. Young was not satisfied with proposed bonds, and Commission feels that to pay all in cash, even if claim is considerably reduced, would have bad effect upon bonds in eyes of other foreign diplomatic claimants. Bank is in better position to take bonds than other individual claimants, and it was idea of the Commission that British Government would itself scale other claims in order to give bank more. Bank claim is extremely weak in proof and in equity. Commission is not willing to consent to splitting up of claim, nor does it wish to leave bank claim pending for future difficulties and it believes that if matter again is referred to British Government, it will accept.

The Commission, acting upon my suggestion, finally has agreed in case the Department finds it absolutely necessary to bring about a final settlement of British claim to make a final offer of £9,000 cash, and £2,000 bonds, but under no consideration to give increase in cash.

JEFFERSON

417.41/11

The British Embassy to the Department of State

No. 421 MEMORANDUM

The British Embassy present their compliments to the Department of State, and have the honour to refer to the Department's memorandum of the 2nd instant, with regard to certain British claims against the Government of Nicaragua.

The substance of this memorandum was duly communicated to His Majesty's Government, and a telegram has now been received from the Foreign Office stating that His Majesty's Government regret that it is quite impossible for them to reduce the amount of the Legation claims, as agreed upon by an exchange of notes with the Nicaraguan Government, after the claims themselves had been carefully taxed.

WASHINGTON, *April 19, 1918.*

417.41/13

The British Embassy to the Department of State

No. 519 MEMORANDUM

The British Embassy present their compliments to the Department of State and have the honour to refer to the Department's memorandum of April 30th,[10] in which it was stated that the Public

[10] Not printed.

Credit Commission in Nicaragua had agreed to increase its offer for the settlement of the British claims to a total of £9000.0.0. cash and £2000.0.0. bonds.

This offer was communicated by telegram to the British Government, from whom a reply has now been received expressing their regret that they are unable to accept the offer.

WASHINGTON, *May 14, 1918.*

417.41/14

The British Embassy to the Department of State [11]

No. 244 MEMORANDUM

The British Embassy present their compliments to the Department of State and have the honour to refer to the Embassy's memorandum No. 519 of March 14th [12] and to previous correspondence respecting certain British claims against Nicaragua.

Since the date of the above memorandum the matter has been further discussed between representatives of the Embassy and of the State Department but without result and, as has been indicated to the Department, the British Government are unable to accept a settlement of these claims for less than £18,000.

The British Embassy have now been requested by the Foreign Office to inform them of the present position in regard to the settlement of claims against Nicaragua by the Public Credit Commission, and the Embassy would therefore be much obliged if the Department would be kind enough to inform them of the present situation in this matter.

WASHINGTON, *April 1, 1919.*

417.41/15

The Department of State to the British Embassy

MEMORANDUM

Referring to the British Embassy's memorandum No. 244 of April 1, 1919, and to previous correspondence respecting certain British claims against Nicaragua and in reply to the British Embassy's request to be informed of the present position in regard to the settlement of the claims against Nicaragua by the Public Credit Commission, the Department of State advises the British Embassy of

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[11] Substance transmitted to the Minister in Nicaragua by telegram, Apr. 5, 4 p.m.

[12] No. 519, printed *supra*, is dated May 14, 1918.

the receipt of a recent telegram from the American Minister at Managua stating that the Public Credit Commission is willing to award 9,000 pounds cash and 4,000 pounds bonds. It is added that this offer is considered better than the suggestion of Minister Young of 10,000 pounds cash, and that practically 70 per cent of the award is cash and the remaining 30 per cent bonds. It is also stated that this is the highest percentage of cash given for this class of claims and it is asserted that the award is enough to pay claimants for small sums in cash while it still leaves a substantial amount for the London bank.

The American Minister reports that the time for acceptance of awards expires in June.

WASHINGTON, *April 26, 1919.*

417.41/16

The British Chargé (Lindsay) to the Acting Secretary of State

No. 461 WASHINGTON, *June 18, 1919.*

SIR: I have the honor to refer to previous correspondence with the State Department, ending with Mr. Adee's memorandum of April 26th on the subject of certain British claims against the Government of Nicaragua, notably the so-called "Legation Claim". In this note it is stated that the Public Credit Commission is willing to award £9000 cash and £4000 bonds in settlement of this claim. It is also known that acceptance of this award must be notified by June 30th in order to ensure its payment.

A reference to previous correspondence especially to the notes from this Embassy of October 28th 1915,[13] and June 29th, 1916,[14] will remind you that the amount of these claims was settled between the Nicaraguan Government and His Majesty's Representative to that country by a formal agreement in 1912 at the sum of £19,800 to be paid in cash, with accrued interest from that time. The claims were subjected to a serious scrutiny by His Majesty's Legation and heavily reduced to make them equitable. They have since then passed before the Public Credit Commission and it is now proposed to satisfy claims amounting with accrued interest to over £26,000 by a payment which, taking the value of the bonds into consideration, is, I understand, equivalent to about £10,500.

Such a proposal cannot appear equitable to His Majesty's Government and I am now instructed by Earl Curzon of Kedleston to inform you that it is not acceptable. Desirous, however, of effecting a settlement of a question which has been pending for so many

[13] *Foreign Relations*, 1915, p. 1118. [14] *Ante*, p. 659.

years, His Majesty's Government would be prepared to accept in full satisfaction of the claims a payment of £9000 in cash and £9000 in bonds.

In putting forward this proposal, which represents a settlement of far less value than that which the claimants could legitimately expect, I respectfully beg you to be so good as to press its acceptance on the Nicaraguan Government and the Public Credit Commission in order that the whole matter may be satisfactorily terminated by the 30th instant.

I have [etc.] R. C. LINDSAY

417.41/17

The Acting Secretary of State to the British Chargé (Lindsay)

WASHINGTON, *June 25, 1919.*

SIR: I have the honor to acknowledge the receipt of your note of the 18th instant, regarding the so-called "Legation Claim" of Great Britain against the Government of Nicaragua. You state in that note that the proposal to settle the claim by the Public Credit Commission at a figure of about £10,500 is not regarded as equitable by your Government and you add that His Majesty's Government would be prepared to accept in full satisfaction of the claims a payment of £9,000 in cash and £9,000 in bonds.

The matter was brought to the attention of the American Minister at Managua and I have now the honor to advise you that a telegram has been received from him stating that the Commission finds itself unable to change its award. The Minister adds, however, that when the British Consul, Mr. Martin, who is now *en route* to London, reaches that city, he will be in a position to set forth fully the facts in the case and that when these have been presented, the Commission feels assured that the Government of Great Britain will accept the award made by it.

Accept [etc.] FRANK L. POLK

417.41/18

The Acting Secretary of State to the British Chargé (Lindsay)

WASHINGTON, *July 17, 1919.*

SIR: Referring to your note No. 461 of June 18, 1919, relative to certain British claims against the Government of Nicaragua, notably the so-called "Legation claim", I have now the honor to advise you of the receipt of a telegram of June 28, 1919, from the American Minister at Managua,[15] to the effect that the Public Credit Commission accedes to the desire expressed by the Department of State

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[15] Not printed.

for the extension until July 30th of the time of acceptance by the British authorities of the offer made in settlement of this claim.

Accept [etc.]

For the Acting Secretary of State:
WILLIAM PHILLIPS

417.41/20

The British Chargé (Lindsay) to the Acting Secretary of State

No. 685 WASHINGTON, *September 20, 1919.*

SIR: In your note of July 17th last on the subject of the so-called "Legation Claim" against the Government of Nicaragua, you were good enough to inform me that the Public Credit Commission at Managua would extend until July 30th the time of acceptance by the British authorities of the offer made in settlement of the claim of £9000 in cash and £4000 in bonds.

I had myself informed Mr. Polk verbally in June that His Majesty's Government would be willing to accept this offer; and the extension of time was granted in order to allow His Majesty's Government to consult Mr. Consul Martin then proceeding to England from Nicaragua, and so satisfy themselves that they should accept. Till now I have been under the impression that His Majesty's Government had notified acceptance at Managua and that the matter was ended, but I learn that owing to a misunderstanding between this Embassy and the Foreign Office no such notification has been made.

I am now instructed to state officially that His Majesty's Government are willing to accept the award of £9000 cash and £4000 bonds in final settlement of the Legation Claim and in view of the explanation in the foregoing paragraph, I beg to express the hope that the Public Credit Commission will not allow an inadvertence to prevent the definite closing of a long outstanding case. I trust you will find it possible to influence the Nicaraguan authorities in this sense. If they consent, I would request that payment be made to His Majesty's Representative at Guatemala.

I have [etc.] R. C. LINDSAY

417.41/21

The Acting Secretary of State to the British Appointed Ambassador (Grey)

WASHINGTON, *October 25, 1919.*

EXCELLENCY: Referring to Mr. Lindsay's note No. 685 of September 20, 1919, and to my reply of October 8, 1919,[15] relative to the so-called "Legation Claim" against the Government of Nicaragua,

[15] Latter not printed.

I have the honor to say that I have been informed that the Nicaraguan High Commission has not as yet received notice from the British representative at Managua of the acceptance of the Commission's award in the matter of the Legation Claim. I beg to suggest, therefore, that the appropriate authorities of the British Government notify the High Commission of their acceptance of the award.

Accept [etc.] WILLIAM PHILLIPS

DECREE EXPELLING SIGNERS OF A PETITION REGARDING LAWLESSNESS IN BLUEFIELDS—REVOCATION AT THE INSTANCE OF THE UNITED STATES

817.00/2589

The Consul at Bluefields (Sanders) to the Acting Secretary of State

No. 241 BLUEFIELDS, *April 9, 1919.*
[*Received April 22.*]

SIR: I have the honor to transmit herewith copy of a report which I have just made to the Legation at Managua concerning the lawless conditions prevailing in this consulate [*consular district*], a petition which was presented to me in connection therewith, and my representations in the case.[16]

The decree exiling the foreign merchants has not yet been revoked and apparently there will be an attempt to carry it out. The local Governor, though maintaining his lack of accord with the decree, has, nevertheless, served notice of its demand on many of the merchants who signed the petition.

One of the difficulties in handling the situation is the evident effort on the part of certain Nicaraguan politicians to make use of the merchants' complaint to affect the interests of certain political groups. I am taking particular pains to see that neither the petitioners nor this office are compromised in any way.

I am [etc.] JOHN O. SANDERS

[Enclosure—Translation]

Petition of Certain Residents of Bluefields to the American Consul (Sanders)

BLUEFIELDS, *April 2, 1919.*

DEAR SIR: Whereas the East Coast of Nicaragua and particularly the city of Bluefields finds itself without guaranty of legal protection for either life or property, as is evidenced by the fact:

(1) That murders and rob[b]eries are almost of daily occurance.
(2) That the murderers and robbers go unmolested about the streets.

[16] Report to the Legation and the Consul's "representations" not printed.

(3) That great conflagrations take place so often and so evidently from arsons that insurance companies have either refused to carry our insurance or only at the exorbitant rate of 10%.

Whereas the local Government is clearly unable to give us that guaranty of life and property which is essential to the continuation of the vocations and ordinary pursuits of organized society, as is evidenced by:

(1) The lack of policemen and other peace officers,
(2) The absence of adequate jails in which to confine criminals and persons accused of crimes,
(3) The fact that officers who would dare arrest and bring to justice lawless persons, and jurymen who might condemn such persons, would thereby endanger their own lives and property through incurring the ill will of the persons condemned.

Whereas we can obtain no assurance from the Government of Nicaragua that the lawlessness about us will be speedily terminated, for the chief officials of the Government admit:

(1) That policemen can be had only by drafting into service,
(2) That they have no funds for repairing jails,
(3) That they have no money wherewith to buy food for prisoners; all of which may be true, yet immense sums are monthly collected from us in taxes and duties, and

Whereas we respect your judgment and believe in the good will of the United States of America towards all distressed peoples;

Therefore we, the undersigned residents of Bluefields respectfully petition you to lay our plight before the Government of the United States and endeavor to obtain for us, in whatever way may seem most proper and effective, protection for ourselves and property to the end that we may continue to reside here and follow in peace the pursuit of our legitimate occupations.

We are [etc.] [Here follows a list of 74 names]

817.00/2593

Memorandum of Mr. E. G. Greene of the Division of Latin American Affairs of the Department of State

[Extract]

[WASHINGTON,] *April 26, 1919.*

The Nicaraguan Minister called at the Division this morning and spoke to Mr. Greene . . .

The Minister stated that he had just received a telegram from his Government in regard to the recent disturbances in Bluefields. The telegram stated that in view of the partition [*petition*] signed by the foreign residents of Bluefields protesting against the lawlessness prevalent in the district and requesting protection to their persons and property, and suggesting the intervention of American Marines to restore peace and order, the Government of Nicaragua has issued an order expelling the signers of the petition. Three months, however, have been given to the residents to leave the country. The Minister further stated that several signers of the petition had made advances to the Nicaraguan Government with a view to their being permitted to remain, but that in many other cases no such steps had been taken by the signers of the petition. These, it was stated, would be expelled within three months. Mr. Greene asked the Minister whether he did not think that the expulsion of the signers of the petition was not too drastic a punishment for a protest against the lawlessness in Bluefields. The Minister replied that it seemed to him that it depended on the manner in which the petition was worded.

. . . . . .

ELBRIDGE GERRY GREENE

817.00/2589 : Telegram

The Acting Secretary of State to the Minister in Nicaragua
(Jefferson)

WASHINGTON, *April 26, 1919, 5 p.m.*

Department has received under date of April 9, copy of report sent you by Consul at Bluefields regarding lawless conditions in that city which have resulted in the murder of an American named Martin, and in the sending of a petition from residents of Bluefields to the Consul asking for protection.

If, in your judgment, it is advisable, immediately make written representations to the Government of Nicaragua stating that this Government expects that the person or persons responsible for the murder of Martin will be promptly brought to justice and reserving right to present claim for indemnity.

POLK

817.00/2591 : Telegram

The Minister in Nicaragua (Jefferson) to the Acting Secretary of State

MANAGUA, *April 28, 1919, 3 p.m.*[17]

In reply Department's April 26, 5 p.m. After receiving Consul's telegram and despatch I immediately proceeded to informally take up this matter with Nicaraguan officials and later with the President who was absent from the city at that time. Nicaraguan officials maintained and contended that the petitioners should have appealed directly to the Nicaraguan Government and not the American Consul for protection. At any rate I was assured that extra police would be immediately sent and all necessary guarantees given.

In regard to the Consul's report and representations concerning Martin and his American citizenship the American Consul is in error and should have been better informed. The records of the Nicaraguan Government show that Martin by his application to the Nicaraguan Government became a naturalized citizen of Nicaragua by decree number 127 dated September 12th 1918.

In my opinion the solution of the Atlantic coast question lies in the proper selection of a substantial man for Governor.

JEFFERSON

817.00/2591 : Telegram

The Acting Secretary of State to the Minister in Nicaragua (Jefferson)

WASHINGTON, *May 3, 1919, 10 a.m.*

Your April 28, 2 [*3*] p.m.

Department has suggested to the Navy Department the advisability of the visit of a warship to Bluefields. You will be advised if this visit is practicable and you may confidentially inform the Consul at Bluefields of Department's action.

In the Consul's April 7, despatch[18] he states that the signers of the petition to him had been notified that they must leave Honduras [*Nicaragua*] within 90 days. This information has been informally confirmed by the Nicaraguan Minister in Washington. The Department is unable to see anything in the petition which should cause its signers, mostly foreigners, to merit such treatment. The conditions in Bluefields appear to have been very bad and the petitioners apparently only ask the good offices of this Government, with the Gov-

[17] Received the same day, but hour of receipt not indicated.

[18] Consul's despatch of Apr. 7 to the Legation at Managua not printed. It is the report mentioned in his despatch No. 241 of Apr. 9, p. 671.

ernment of Nicaragua, for their better protection. You will inform the Nicaraguan Government of the Department's views and state that this Government would view the expulsion of the petitioners with grave concern.

You will further inform the Nicaraguan Government that the petition in question has caused this Government to realize that considerable lawlessness exists in Bluefields and that it is hoped that the Nicaraguan Government will take steps to end this lawlessness.

POLK

817.00/2596 : Telegram

The Minister in Nicaragua (Jefferson) to the Acting Secretary of State

MANAGUA, *May 9, 1919, 2 p.m.*
[*Received May 10, 4.45 p.m.*]

Department's May 3, 10 a.m. regarding the decree. A few days ago Chamorro gave instructions to the Governor of Bluefields to the effect that the decree would not apply to those who signed the petition if they would declare that they had no intention of causing embarrassment or injury to the Government.

I have had several discussions on the boundary dispute [19] situation with the President and apparently he is inclined to act upon some of my suggestions now. Immediately upon receipt of the Department's May 3, 10 a.m. I again brought strongly to his attention the Department's views. He informed me that after the return of the Governor of Bluefields who is now in Panama he would have a full discussion of the question with him and probably would appoint a more satisfactory man for that post.

JEFFERSON

817.00/2591 : Telegram

The Acting Secretary of State to the Minister in Nicaragua (Jefferson)

WASHINGTON, *June 5, 1919, 5 p.m.*

Your April 28, 2 [*3*] p.m.

If American merchants are to be expelled, Department wishes to be kept closely informed in ample time to take any action which might appear desirable. Has expulsion decree been repealed?

POLK

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[19] Boundary dispute with Honduras, vol. I, pp. 114 ff.

817.00/2602 : Telegram

The Minister in Nicaragua (Jefferson) to the Acting Secretary of State

MANAGUA, *June 9, 1919, 11 a.m.*
[*Received 12.10 p.m.*]

Department's June 5, 5 p.m. The President proposed to me this morning the sending of Mr. Adan Canton as Governor of Bluefields whom I consider an excellent man for that post and who should command the respect of all. I believe he will be able to settle satisfactorily pending difficulties at Bluefields.

The decree of expulsion has not yet been recalled by the President, and I do not believe it will be enforced.

JEFFERSON

817.00/2602 : Telegram

The Acting Secretary of State to the Minister in Nicaragua (Jefferson)

WASHINGTON, *June 12, 1919, 6 p.m.*

Your June 1 [*9*], 11 a.m.

Department pleased, good man to be Governor of Bluefields but believes fairness demands that Government publicly assume a definite position with respect to expulsion decree. Keep Department informed by cable.

POLK

817.00/2606 : Telegram

The Minister in Nicaragua (Jefferson) to the Acting Secretary of State

MANAGUA, *June 25, 1919, 2 p.m.*
[*Received June 26, 3.11 a.m.*]

Referring to my cable of June 9th, 11 a.m. Mr. Canton within the next 10 days expects to arrive at Bluefields to assume duties.

Now that matters have been placed in his hands, I do not believe that there will be any difficulty in the prompt and satisfactory settlement of the pending question including expulsion decree.

JEFFERSON

817.00/2610

The Consul at Bluefields (Sanders) to the Acting Secretary of State

[Extract]

No. 291 BLUEFIELDS, *July 15, 1919.*
[*Received July 25.*]

. . . . . .

As for the expulsion decree incident, however, I am glad to report that I consider the matter closed; . . .

. . . . . .

. . . the decree was shortly ordered suspended. According to my private information, it was so ordered on June the 25th. The Governor of Bluefields got the news officially on the 28th. . . .

I have [etc.] JOHN O. SANDERS

BOUNDARY DISPUTE WITH HONDURAS

(See volume I, pages 114 ff.)

NORWAY

WITHDRAWAL OF DENUNCIATION OF TREATY OF JULY 4, 1827, EXCEPT AS TO ARTICLES 13 AND 14, TERMINATED AS OF JULY 1, 1916

(See volume I, pages 47 ff.)

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PANAMA

APPOINTMENT OF AN AMERICAN FISCAL AGENT AND OF AN AMERICAN INSPECTOR GENERAL OF POLICE

819.00/707

The Secretary of State to the Secretary of War (Baker)

WASHINGTON, *August 28, 1918.*

SIR: I have the honor to inform you that I am in receipt of a despatch dated July 15, 1918, from the American Legation at Panama City, in which the Legation suggests the advisability of preparing for introduction in the National Assembly of Panama at its session beginning in September, drafts of bills providing for the following objects: (1) The appointment of an American Police Commissioner who shall have full power to control, instruct, and guard the police force of the Republic and (2), The appointment of an American Fiscal Agent who shall have control and charge of the National Treasury.[1]

If you approve these suggestions, I beg to request you to be so good as to instruct Judge Frank Feuille,[2] who is familiar with the laws of Panama, and has ready access to them, to prepare drafts of the legislation suggested, and to submit the drafts to your Department and this Department for their consideration.

I have [etc.]

For the Secretary of State:
ALVEY A. ADEE
Second Assistant Secretary of State

819.00/782

The Secretary of State to the Panaman Minister (Porras)

WASHINGTON, *September 28, 1918.*

SIR: Your friendly note of September 16, 1918, reciting certain matters in which you intend particularly to interest yourself has been read with the deepest interest.[3] It is a source of regret that the

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[1] In the despatch, which is not printed, the Minister added: "These two radical reforms, I understand, have long been desired by the Department of State."

[2] Special attorney for the Panama Canal.

[3] Note not printed; Dr. Porras had been elected first designate to finish the term of President Valdez of Panama.

shortness of time intervening between the date of its receipt and the date of your departure for Panama does not permit of as comprehensive an answer, point by point, as the importance of the matters discussed should properly receive.

The administrative and executive reforms, the sound projects for the development and betterment of the condition of the people, both urban and rural, of Panama are the fruit of the lofty intellect of a statesman. A sympathetic acceptance of such ideas is assured by their very nature. Actuated by the frank and friendly spirit of sympathy and cooperation which has ever marked your relations with this Department and by your very evident intention to do your utmost to forward the happiness and peace of Panama, it does not seem inappropriate while discussing as a whole plans for the betterment of conditions in Panama to put forward a suggestion with regard to the Panaman police system.

Were the American Instructor of the Panaman Police placed under the direct orders of the President of the Republic, entirely independent and apart from the control of the Department of the Interior and were the police force as well as the Police Courts absolutely and irrevocably removed from political influence throughout the Republic, a great step toward assuring better conditions would have been made. The police of the entire Republic should be under the Instructor and the Instructor should have complete control over the punishing, rewarding and training of his force. These powers are obviously necessary to him. He and his force must be absolutely and permanently withdrawn from all political influences. This last suggestion should also be true of the Police Courts whose efficient functioning is a necessary corollary to the preservation of public order. The reform of the Police Courts should, it is believed, be undertaken only after consultation and in cooperation with the American Police Instructor.

In commenting on the plans you have for the future welfare of Panama, in the carrying out of which you desire the Government of the United States to assist materially, this single suggestion respecting the public order of the Republic is put forward as a much to be desired step.

The observations you make relative to the vice, drug and liquor evils and of your intention to use your best endeavors to make Panama as wholesome and attractive a spot as possible cannot fail but awaken a responsive echo. Your statement that the Government of the Republic of Panama will suppress every lottery of the country meets with the hearty approval of the Department of State.

The thought which you put forward looking to the rehabilitation of the finances of Panama through the creation of some form of financial commission would seem to offer a method of supervision adequate to Panama's present needs. From your conversations it would appear that this commission would be composed of one Panaman member of the Permanent Group Committee for Panama, organized at the time of the Pan-American Financial Congress in Washington in 1916 [*1915*], together with one American member, on which commission Governor Harding of the Canal Zone would act as member *ex-officio*, to be called upon only in the case of a want of accord between the other two members. This commission is to be vested with adequate powers to carry out any reform which, after consultation between the President of Panama, the Financial Expert and the Commission is found necessary for the economic well-being of the Republic.

In conjunction with this Financial Commission the suggestion was made that the Government of the United States suggest the name of a financial expert who would aid in the reorganization of the Panaman finances. In commenting upon these ideas of yours, and while granting that no financial expert alone is infallible and that a Financial Commission would more fully guarantee the interests of the Republic, it is suggested that no method not giving adequate legal powers to the final authority to carry into effect the reforms suggested is likely to achieve all that is desired. Not only should the Financial Expert be dependent directly and solely upon the President of Panama alone, but it would undoubtedly be necessary for the Government of Panama to make special arrangements whereby the Financial Expert would be in a position assuring that any suggestions which he might deem necessary would bear practical results. The enactment of adequate legislation is in the last analysis the crux of the entire plan and in the study of the drafting of this legislation the Government of the United States would be most happy to lend any assistance desired through authorizing the Canal authorities to assist in the work, or in such manner as might be thought desirable by the Government of Panama.

The Government of the United States will be pleased to suggest the names of two customs appraisers of recognised probity and experience to aid the Government of Panama in arriving at a just evaluation of the merchandise imported into Panama, should the Government of Panama formally express such a wish.

With reference to the statement of the Acting Chief of the Latin American Division, which was made in an informal conversation, I take pleasure in confirming his utterance; namely, that were an

adequate financial control put into being along the lines suggested by you, the Government of the United States would use its good offices in an earnest endeavor to interest private bankers in Panama's assistance. As a fact, the Government of the United States is not permitted to make loans itself to foreign nations, except as provided for under the law of 1917, which permits of the limited granting of certain credits for war purchases; obviously not applicable in the case of the Republic of Panama. The Government of the United States, however, approves heartily in principle of your Commission and Financial Expert plan and there is reason to hope that American bankers will come forward to assist the Republic of Panama in the establishment of a better banking system in the Republic. An expert from the foreign loan banking system of the United States might even be sent to Panama to aid in founding a chain of branch banks throughout the rural districts of the Republic, with headquarters at the Capital.

With respect to the various other propositions put forward by you, namely provisions for an adequate system of roads; the anticipation of the Canal annuities to the extent of $3,000,000; and $1,000,000, payment on certain rights or equities; these questions are of such a nature as to require more thorough study and consideration than the limited time before your departure permits being given them, for which reason they will not be commented upon in this communication but will be reserved for further discussion. It seems appropriate, however, to state that they will receive the most sympathetic consideration,—the more so in view of the very evident desire entertained by you to do everything possible for the betterment of the peace, public order and general well-being of the Republic of Panama. You may rest assured that the sincere affection which is entertained by the Government of the United States for Panama and her people causes it [to] sympathise heartily with your desires for the betterment of your country.

Accept [etc.] ROBERT LANSING

819.00/784

The Minister in Panama (Price) to the Secretary of State

No. 2116 PANAMA, *October 3, 1918.*
[*Received October 18.*]

SIR: I have the honor to report that pursuant to the Department's communication of August 28th, last, from [*to*] the Secretary of War and the reply of the War Department of September 6th,[4] which

[4] Not printed.

were forwarded to the Governor of the Panama Canal with directions to have Judge Frank Feuille, Special Attorney of the Canal, in the event of concurrence with the suggestions from this Legation, to prepare drafts of bills for presentation to the National Assembly of Panama providing for: "(1), The appointment of an American police commissioner, who shall have full power to control, instruct, and guard the police force of the Republic; and (2), The appointment of an American fiscal agent, who shall have control and charge of the National Treasury", Judge Feuille and I have held several conferences, going over the files relating to these matters in the past, and in addition calling before us Mr. A. R. Lamb, the American Instructor of the Panaman police force, to secure the benefit of such observations as he had [to offer] resulting from his practical experience in connection with the force.

Judge Feuille is at work on the draft of these proposed bills, attempting to provide in them all the powers possible for the contemplated officials consistent with the Constitution of Panama, and with due regard to Panaman public sentiment.

I have already let the Panaman Foreign Office know in more than one conference the expectation of our Government with reference to the several reforms that have been proposed to them and, in fact, to the leaders of both political elements.

. . . . . .

I have [etc.] WM. JENNINGS PRICE

819.51/156 : Telegram

The Minister in Panama (Price) to the Secretary of State

PANAMA, *October 28, 1918, 4 p.m.*
[*Received 7.43 p.m.*]

Panama President writes me that "the arrival of the financial expert that we urgently need and which has been suggested or recommended by the State Department is anxiously awaited," to [which I] have replied that I understood that his coming would follow the [passage] of such law by Panama as would enable him to render satisfactory service. While [waiting] upon such suggested law I suggest that steps be taken to locate such expert that he may come as promptly as possible following passage of law. Panama President to-day asks prompt response to the question of appointment of General Guardia as Secretary of the Treasury submitted by my cablegram of October 25th 4 p.m.[5]

PRICE

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[5] Not printed.

819.51/156 : Telegram

The Secretary of State to the Minister in Panama (Price)

WASHINGTON, *November 5, 1918, 3 p.m.*

Your October 28, 4 p.m.

The Department has had presented to it the names of several very experienced persons who would be qualified to act as Financial Adviser to the Government of Panama. Before making any definite recommendation regarding this matter it is necessary to know what would be the terms of the contract between the Panaman Government and the Financial Adviser and the amount of his salary. It would appear that $10,000 a year would be adequate.

LANSING

819.51/161 : Telegram

The Minister in Panama (Price) to the Secretary of State

PANAMA, *November 10, 1918, 3 p.m.*
[*Received 5 p.m.*]

Supplementing my Nov. 9, 2 p.m.[6] Panama President held Cabinet meeting yesterday afternoon and informs me salary $10,000 will be paid Fiscal Agent and that he will instruct Panama Chargé d'Affair[e]s Washington to conclude arrangements with the Department regarding selection. Panama President further agrees to submit to the National Assembly and exercise all his influence for approval [of] the bill drawn by Judge Feuille[7] with a few minor changes which others and I approve consisting of following mainly: Article 6 [to be] changed to read "The Executive Power is hereby authorized to appoint the auxiliary personnel which he may deem necessary to help the Fiscal Agent in the discharge of his duties." Further, Fiscal Agent is required to keep record of accounts and vouchers and to countersign every treasury warrant. If Department will give its approval the bill will be presented to the National Assembly immediately.

PRICE

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[6] Not printed.

[7] Not printed; copy received, Nov. 9, from the Secretary of War (File No. 819.51/158).

819.51/163 : Telegram

The Secretary of State to the Minister in Panama (Price)

WASHINGTON, *November 19, 1918, 4 p.m.*

Strictly confidential.

Your November 11, 4 p.m.[8] Department regrets that Jenks[9] is unavailable for work in Panama and suggests Ruan[10] as Fiscal Agent in that country. Ruan is at present Financial Adviser to the Haitian Government. He is one of the most experienced men along these lines who has been in the employ of this Government. He has laid the foundation for economic development in Haiti and could be spared for the same constructive work in Panama. Department believes that Ruan is more suitable than any other person it can suggest and feels that Panaman Government should accept. Ruan will be asked if this will be agreeable to him upon receipt of reply.

LANSING

819.51/161 : Telegram

The Secretary of State to the Minister in Panama (Price)

WASHINGTON, *November 19, 1918, 5 p.m.*

Your November 9, 2 p.m.[8] Your November 10, 3 p.m.

Department perceives no objection to bill drawn by Judge Feuille for the appointment of a fiscal agent or to the amendments provided they are satisfactory to the Canal Zone Government.

No objection occurs to Department as to the bill drafted by Judge Feuille relating to the national police of Panama.

LANSING

819.51/180

The Minister in Panama (Price) to the Secretary of State

[Extract]

No. 2198 PANAMA, *December 2, 1918.*

[*Received December 27.*]

SIR: Continuing my reports upon the matter of Fiscal Reform for Panama and the Bill pending in the National Assembly to provide for an American Fiscal Agent, I have the honor to enclose . . . a printed copy of the Bill as introduced in the National Assembly, . . .

. . . . . .

I have [etc.] WM. JENNINGS PRICE

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[8] Not printed [9] Jeremiah W. Jenks. [10] Addison T. Ruan.

[Enclosure—Translation [12]]

Fiscal Reform Bill Pending in the National Assembly of Panama [13]

THE NATIONAL ASSEMBLY OF PANAMA

DECREES:

ARTICLE 1. The Executive Power is hereby authorized to appoint a Fiscal Agent in the Republic, or to engage his services; the appointee may be either a national or a foreigner, who must be skilled in financial matters and in public bookkeeping. The Executive Power shall ask the good offices of the Government of the United States in securing a candidate for the post.

The Fiscal Agent will be under the direct orders of the President of the Republic.

ARTICLE 2. The Fiscal Agent will have an assistant who may not be a Panamanian and who will also be appointed by the President of the Republic. The assistant will take the place of the Fiscal Agent in cases of absence or temporary incapacity, and will have other functions and duties which the Fiscal Agent may delegate to him not contradictory to the provisions of this law.

ARTICLE 3. The Executive Power is hereby authorized to appoint the auxiliary personnel which he may deem necessary to help the Fiscal Agent in the discharge of his duties.

ARTICLE 4. The Fiscal Agent within the least possible time, will present to the Executive Power a detailed report on the financial conditions of the Republic, in which will be stated the internal and external debt and the actual revenues and their source. The Fiscal Agent will also help the Secretary of the Treasury in drafting the Budget and the fiscal laws that are to be submitted to the National Assembly.

ARTICLE 5. It shall be the duty of the Fiscal Agent to give to the Executive Power, when deemed necessary, information on the measures which should be adopted to increase the revenues and diminish the expenditures of the Treasury; on the manner in which the public funds should be kept and managed in order that the state of the Treasury may be known at any moment and to prevent the expenses from exceeding the income.

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[12] Supplied by the editor.

[13] Approved Dec. 30, 1918, as Law 30 of 1918, with art. 8 amended to read as follows: "ARTICLE 8. The decisions of the Fiscal Agent with reference to the interpretation of the laws and fiscal regulations, will be with the advice of the Executive Power, who may revoke them or not; but the definitive decisions of the latter are appealable before the Supreme Court of Justice within the period of ninety days counting from the date when the interested party is notified. The appeal will be heard like the pleadings and proceedings of a law suit; but the final decision will be pronounced by the Court in full. The decisions of the Court will be definitive and will be exactly executed." (File No. 819.51/249.)

ARTICLE 6. The Fiscal Agent has the high inspection of the accounting system in the Republic and will see that the laws and the regulations that the Executive may give on the subject are complied with. It will be his duty also to examine all the accounts and claims of any nature from the different Departments and lower offices, taking into consideration the necessary data for the verification and adjustment of same, and to certify the balances for their remittances to the Department of the Treasury. Furthermore the Fiscal Agent will keep the records of all the bills and their vouchers, legalize according to the law the orders of payment issued by the Secretary of the Treasury, and discharge all the other duties that the laws and regulations may disclose to him.

ARTICLE 7. The Fiscal Agent is hereby authorized to reject any bill or claim against the Treasury, whenever the disbursement has not been duly authorized by law or because the prices of the articles to which the bill refers, or the claim, may not be the same as those on the market, or for any other reason that finds force in the law or regulations.

ARTICLE 8. The appeals against the decisions of the Fiscal Agent relative to the application or interpretation of the laws and fiscal regulations shall be taken to the Supreme Court of Justice within the period of ninety days, counting from the date when the interested party is notified of the decision. The appeal in these cases will be in conformity with the procedure which the Executive Power may establish. If the interested party does not make his appeal within the designated period, the decision of the Fiscal Agent will be definitive and obligatory for the interested parties and the authorities. And in case of appeal the decision of the Supreme Court of Justice will be definitive and obligatory.

ARTICLE 9. Once the Fiscal Agent considers that the system of accounts which this law provides are sufficiently efficient to no longer necessitate the services of the Auditor General, the Fiscal Inspector, the Judge of Accounts, and the Court of Appeals, the Executive Power will abolish these employments, and the business that may remain pending in all or any of the offices mentioned will continue under the jurisdiction of the Fiscal Agent in order that he may dispose of them in accordance with the provisions of this law and the expediting decrees and regulations.

ARTICLE 10. The Fiscal Agent, his assistant, and the other inferior employees to whom this law refers, will have the salaries that the Executive Power will assign to them.

ARTICLE 11. The provisions of this law are extended, in so far as they may be applicable, to the revenues and expenses of the municipalities.

102569—34——49

ARTICLE 12. All laws and regulations contrary to the present law are hereby repealed.

ARTICLE 13. This law will be in force thirty days after its promulgation.

819.51/182 : Telegram

The Minister in Panama (Price) to the Acting Secretary of State

PANAMA, *December 31, 1918, 5 p.m.*
[*Received 8.40 p.m.*]

Panaman President requests me to telegraph that he has just signed the Fiscal Agent bill and to ask that Mr. Ruan be sent as quickly as possible. Sessions of National Assembly will be extended until January 20, and there may be other extensions to the middle of February. It will prove advantageous if Fiscal Agent can come before final adjournment.

PRICE

819.51/190 : Telegram

The Minister in Panama (Price) to the Acting Secretary of State

PANAMA, *February 6, 1919, 4 p.m.*
[*Received 8.51 p.m.*]

Panaman Secretary of Treasury yesterday signed contract effective as of February 1st with Fiscal Agent Ruan with assurance of approval of Panaman President providing for a two years term and an American assistant at a salary of $6000. Panaman authorities attempted to reserve right of dismissal at any time by payment of two additional months salary but this was changed so as to require payment of salary for balance of term. I gave dinner at Legation last night to Fiscal Agent, Panaman President and Cabinet, officials of Canal Zone, of association of commerce, of Panama railway, and managers of all banks being present.

PRICE

819.1052/154

The Minister in Panama (Price) to the Acting Secretary of State

No. 2272 PANAMA, *February 20, 1919.*
[*Received March 19.*]

SIR: Referring to my cablegram of this date, 8 a.m.[14] reporting the appointment of Mr. A. R. Lamb by the Panaman Government as Inspector General of the National Police, I have the honor to enclose

[14] Not printed.

(enclosures Nos. 1 and 2) a copy of the contract made with Mr. Lamb, and its translation.[15] The contract was concluded yesterday and Mr. Lamb placed in charge of the Corps. It will be seen that he is constituted as head of the police of the Republic in accordance with the provisions of the new police reform bill, which I sent to the Department with my unnumbered despatch of January 16th 1919:[15] that his salary is to be $325.00 per month and certain perquisites, and that in addition to the right reserved to dismiss him for cause, the further right is reserved to dispense with his services at any time by paying as much as three months advance salary, and that his return expenses to the extent of $150.00 must be paid upon dismissal for any reason. The contract is for two years.

. . . . . .

I have [etc.] WM. JENNINGS PRICE

LOAN PROJECTS FOR THE FUNDING OF INTERNAL OBLIGATIONS AND FOR THE ESTABLISHMENT OF AN AGRICULTURAL BANK

819.51/191 : Telegram

The Minister in Panama (Price) to the Acting Secretary of State

PANAMA, *February 20, 1919, 2 p.m.*
[*Received 7.16 p.m.*]

Fiscal Agent Ruan finds from reports made to him that external debt of the Republic of Panama amounts to $3,190,000 and internal indebtedness to approximately $1,500,000. Latter includes approximately $400,000 due Panama Canal and approximately $500,000 due for salaries and current expenses. In order to relieve critical situation more promptly than reform in taxation and economics [*economies*] could do, Fiscal Agent has recommended to Panaman President that he secure from National Assembly before adjournment authorization to borrow $1,000,000 and to pledge for loan any of the national revenues, including the unpledged balance of canal annuity and the unpledged balance of income from $6,000,000 invested in New York. Fiscal Agent suggesting to Panaman President that he request the good offices of the United States in procuring such loan from banking institutions.

PRICE

819.51/202 : Telegram

The Minister in Panama (Price) to the Acting Secretary of State

PANAMA, *April 2, 1919, 10 a.m.*
[*Received 3.56 p.m.*]

Referring to my despatch of March 3 number 2287.[15] The efforts of Fiscal Agent Ruan were successful in preventing provision being

[15] Not printed.

incorporated in bill for agricultural bank for a large appropriation for its establishment and conduct but at insistence of Panaman President the bill as passed provides for investigation preparatory [to] successive establishment and authorizes Panaman President to employ expert in agricultural banking to make investigation and recommendations. Pursuant thereto Panaman President has employed Clarence J. Owens of Washington at expense of $10,000 and it is understood he will come to Panama at an early date under urging of Panaman President. PRICE

819.51/205

The Acting Secretary of State to the Director of the Economic Survey of Panama (Owens)

WASHINGTON, *April 25, 1919.*

SIR: The Department has received with interest your letter of April 19, addressed to the Secretary of State, informing the Department that you have been called by President Porras to conduct an economic survey of the Republic of Panama.[16]

The Department desires very much to see the finances of Panama placed on a solid basis and is glad to hear of any action tending toward this end. With this aim in view, the Government of Panama, acting upon the suggestion of this Government, appointed Mr. Addison T. Ruan Financial Adviser to the Republic. The Department hopes that you will cooperate with and be guided by Mr. Ruan in your work in Panama.

I am [etc.]

For the Acting Secretary of State
ALVEY A. ADEE
Second Assistant Secretary

819.51/230

The Director of the Economic Survey of Panama (Owens) to the Secretary of State

WASHINGTON, *August 4, 1919.*

MY DEAR SECRETARY LANSING: I have the honor to submit to you herewith for your information and for the information of the Department, a copy of the preliminary report[17] that I submitted to

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[16] Letter not printed; it enclosed a statement issued to the press by the Panaman Legation, under date of Mar. 27, 1919, of which the first paragraph read as follows:

"Senor Don J. E. Lefevre, Chargé d'Affaires of the Republic of Panama today announced that Dr. Clarence J. Owens, Director General of the Southern Commercial Congress has been called by President Belisario Porras of the Republic of Panama to direct a survey of the Republic with the view of solving the internal economic problems of the Country, with especial reference to agricultural finance."

[17] Not printed.

Hon. Belisario Porras, President of the Republic of Panama following the economic survey that I directed at his call and under law 42 of the Republic.

Based on the report, President Porras has issued to me credentials for certain services on behalf of the Republic of Panama which include the following plans.

1. The negotiations for a loan for the Republic.
2. The study of America and other foreign countries as a field for Panamanian bonds of the proposed agricultural bank.
3. Negotiations with the War Department as to the building of military roads in the Republic of Panama by the United States Government.
4. The negotiations with corporations in the United States and elsewhere for the construction of highways in the Republic of Panama and also for the land survey of the Republic.
5. Negotiations with the United States and private interests for the purchase of ships for coastwise domestic commerce of the Republic.
6. The organization of a Pan-American College of Commerce at Panama City, to be a training camp for the foreign field of business, with the Director General of the Pan American Union, the Dean of the Latin-American Diplomatic Corps and the undersigned as the organization committee.

I have the honor to report to you that I have submitted to the advisory council composed of Hon. W. P. G. Harding, Governor of the Federal Reserve Board, Senator Duncan U. Fletcher, Senator from Florida, and member of the International High Commission, Commissioner George W. Norris, of the Federal Farm Loan Board, and Hon. John Barrett, Director General, Pan American Union, the law as to the proposed farm loan bank for the Republic of Panama and have received the unanimous approval of the Council as to the law submitted.

On all, or any part of the foregoing, I shall be pleased to confer with you at any time, or with any official of the Department of State you will designate.

I beg to assure you, Mr. Secretary, that I shall report to you promptly the progress of my work on behalf of the Republic of Panama.

With high esteem [etc.] CLARENCE J. OWENS

819.51/233 : Telegram

The Chargé in Panama (Offutt) to the Secretary of State

PANAMA, *August 24, 1919, 2 p.m.*
[*Received 10.03 p.m.*]

My June 30th 6 p.m. and July 15th 10 a.m.[18] *Star and Herald* today announced that President Porras has received cablegram from

[18] Neither printed.

Clarence J. Owens stating that Owens has secured necessary loan for proposed agricultural bank and that provisions of contract under which loan was secured are being sent. Owens is working in matter of this loan independently of Legation and Fiscal Agent, Ruan, requests that Department withhold its sanction of loan for bank until he has had opportunity of submitting his views on project, the conditions of which are unknown to him at present. Fiscal Agent considers loan of $1,000,000 for refunding internal debt of prior and pressing importance and earnestly recommends that Department lend its aid to negotiations therefor being conducted by Panaman Chargé d'Affaires in Washington.

OFFUTT

819.51/233 : Telegram

The Secretary of State to the Chargé in Panama (Offutt)

WASHINGTON, *August 27, 1919, 4 p.m.*

Your August 24, 2 p.m.

Department will withhold its sanction of loan proposed by Owens until Fiscal Agent Ruan has had ample opportunity to consider the project and report to the Department. Department is taking up with Panaman Chargé d'Affaires question of million dollar loan for refunding internal debt.

LANSING

819.51/235 : Telegram

The Minister in Panama (Price) to the Secretary of State

PANAMA, *September 12, 1919, 9 a.m.*
[*Received 11 p.m.*]

Following is sent for Fiscal Agent Ruan:

"Panaman Chargé d'Affaires, Washington, sent a cablegram August 30 stating that at the request of Doctor Owens he had not up to that time initiated negotiations for million dollar loan which he had been empowered by Panama to contract for payment of interior debt. On September 1st he was instructed by Secretary of the Treasury, under authority of the President, to proceed immediately with negotiation of this loan. On September 6 he cabled that situation is favorable to obtaining loan necessary for the reorganization of fiscal and economic conditions in the Republic, but haste will prejudice negotiations to this end and that he will have further conference with Doctor Owens. It is evident that Owens is influencing Panaman Chargé d'Affaires in the interest of his proposals for larger loan

which will also afford capital for proposed agricultural bank. Fiscal situation already has been recommended [*reorganized*] by Secretary of the Treasury and myself and only needs million dollar loan for payment [of] internal debt to put Government on sound fiscal basis. Project of bank has nothing to do with fiscal reorganization and should be determined later. As a proposition I request respectfully that the Department make clear to Panaman Chargé d'Affaires that it has confidence in my recommendations; that it appreciated the million dollar loan as recommended by Secretary of the Treasury and myself and will lend its good offices toward obtaining it immediately but that project of Doctor Owens must [a]wait future consideration. Secretary of the Treasury and myself both feel that the work we have done in reorganizing fiscal situation will be to a large extent nullified unless our promises of early liquidation of internal debt through the medium of this loan can be fulfilled."

PRICE

819.51/235 : Telegram

The Acting Secretary of State to the Minister in Panama (Price)

WASHINGTON, *September 22, 1919, 2 p.m.*

Your September 12, 9 a.m.

Panaman Chargé d'Affaires informs Department he is working under instructions from Panaman Secretary of the Treasury for million dollar loan and for no other.[20]

PHILLIPS

OIL CONCESSION OF THE SINCLAIR-PANAMA CORPORATION; EXTENSION OF EXPLORATION PERIOD

819.6363V23/—

The Minister in Panama (Price) to the Secretary of State

[Extract]

No. 1348 PANAMA, *April 21, 1917.*
[*Received May 7.*]

SIR: I have the honor to report, for the information of the Department, that Mr. Lincoln G. Valentine has recently executed with the

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[20] The outcome of this negotiation is indicated by the following extract from despatch No. 2640, Mar. 26, 1920, from the Minister in Panama: "The action of the Panaman Administration, as I have referred to in my reports, in deciding to pay out of the accumulated surplus in the treasury the sum of $500.000. upon Panama's local indebtedness, and to apply to the indebtedness of the Panama Canal the balance of the Canal annuity and of the income from the mortgage investments in New York for this year, instead of borrowing the one million dollars, which has been under negotiation for the purpose, seems to have been a popular move." (File No. 819.51/265.)

Government of Panama, a contract authorizing him to inspect, explore and exploit the whole of both coasts of the Republic of Panama, to the extent of a zone of fifteen miles parallel to, and along said coasts, for petroleum.

I enclose a copy of a translation of said contract,[21] being (enclosure No. 1) contract No. 27, of the date of April 14, 1917.

Mr. Valentine represents the Sinclair–Central American Petroleum Interests, which he assures me is thoroughly an American corporation with an undivided fealty to the interests of our Government.

. . . . . .

I have [etc.] WM. JENNINGS PRICE

819.6363V23/3 : Telegram

The Acting Secretary of State to the Minister in Panama (Price)

WASHINGTON, *March 24, 1919, 2 p.m.*

Reference your despatch 1348, April 21, 1917.

Sinclair Panama Oil Corporation states that it is owner of Valentine's rights under contract of April 14, 1917 with Government of Panama for exploration and exploitation of petroleum deposits; that, owing to war conditions, corporation has not been able to complete within two years' period fixed by Article 5 of contract, work of exploration so as to determine areas which Company will not desire to exploit, and therefore has requested Panaman Government to extend this period for one year.

If you perceive no objection, use your good offices in aid of extension requested.

PHILLIPS

819.6363V23/5

The Minister in Panama (Price) to the Acting Secretary of State

No. 2302 PANAMA, *April 2, 1919.*
[*Received April 15.*]

SIR: I have the honor to report compliance with the Department's cable instruction of March 24th, 2 p.m. to lend good offices to secure an extension of a year in which the Sinclair Panama Oil Corporation might make selection of areas in this Republic which they would not care to exploit.

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[21] Not printed.

After taking the matter up informally with the Secretary of Foreign Affairs I addressed him an informal note, a copy of which I enclose (enclosure No. 1).[22] He did not express himself upon the matter but agreed to consider it.

The Secretary of Finance and Treasury has cabled the corporation in response to their direct request of the Panaman Government in the matter, that he considers that their request should be made in a formal manner by a legal representative, and that time would be given until the 15th of May for that purpose. The Secretary also stated to them that he felt that they should comply with Article 3 of the Contract, which is an enclosure with my despatch No. 1348 of April 21, 1917,[22] and which article provides that at the option of the Panaman Government the contractor or *concessionaire* should deliver to the public Treasury either five hundred thousand dollars in shares of stock of the corporation exercising rights of exploration and exploitation of oil fields under the Contract for the purpose of guaranteeing the obligations of the Contract, or should deliver a guaranty bond of one hundred thousand dollars.

I have [etc.] WM. JENNINGS PRICE

819.6363V23/6

The Minister in Panama (Price) to the Acting Secretary of State

No. 2372 PANAMA, *May 15, 1919.*
[*Received June 3.*]

SIR: I have the honor to refer to Legation's despatch No. 1348 of April 1 [*21*], 1917, and Department's telegram of March 24th, 2 p.m., 1919, regarding the desire of the Sinclair Panama Oil Corporation to extend the time allowed them in their contract for the work of exploration to determine the portions of land which the company does not desire to exploit, and to report that according to a decree of May 12, 1919, an extension of one year has been granted. Mr. C. F. Elder is on the ground representing this concern and I also spoke to the Sub-Secretary of the Treasury in their behalf. I have also had several interviews with Mr. Elder who now expresses himself as perfectly satisfied. With reference to this subject, there are enclosed herewith two clippings from the *Star and Herald*, (enclosures Nos. 1 and 2),[22] one of May 9th boosting Panama's petroleum possibilities, and one of May 13th giving the above-mentioned decree.

I have [etc.] WM. JENNINGS PRICE

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[22] Not printed.

BOUNDARY DISPUTE WITH COLOMBIA

(See volume I, pages 73 ff.)

CONVENTION WITH THE UNITED STATES FOR THE ESTABLISHMENT OF AN INTERNATIONAL GOLD-CLEARANCE FUND

(See volume I, page 42, footnote 42.)

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

PARAGUAY

CONVENTION WITH THE UNITED STATES FOR THE ESTABLISHMENT OF AN INTERNATIONAL GOLD-CLEARANCE FUND

(See volume I, page 42, footnote 42.)

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

PERSIA

AGREEMENT BETWEEN PERSIA AND GREAT BRITAIN, AUGUST 9, 1919

Reports of Opposition to the Treaty Among the Persian People—Statements Indicating the American Government's Disapproval of the Treaty—British Denial that the Negotiations Were Concealed from the American Government

741.91/21 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 11, 1919, 6 p.m.*
[*Received August 15, 1.45 p.m.*]

160. An agreement was signed 9th instant between the British and Persian Governments in substance as follows: British Government emphatically reiterates its pledges to observe political independence and territorial integrity of Persia; British Government will furnish at the expense of the Persian Government all the expert advisers needed for the Persian administration; Great Britain will provide military officers and all the arms and modern equipment needed to reorganize Persian Army; joint Anglo–Persian military commission to be forthwith appointed to determine Persia's needs; British Government will provide loans for expenses [of reforms]; for development of Persia British Government will interest British financiers in railroad construction and other means of transport to develop trade in Persia and prevent famine (see Legation's quarterly report of July 7th[1]); Great Britain agrees to changes in Persia's customs duties (see Legation's despatch 517 of July 16th[1] page 10); exact text will be telegraphed as soon as received.

A loan agreement was also concluded on same date in connection with above by which Great Britain agrees to advance £2,000,000 sterling in such installments as financial experts provided for in agreement (see Legation's telegram of August 4th, 4 p.m.[1]) shall determine. It will bear interest at 7 per cent per annum payable monthly until March 20th 1921 after which monthly sums sufficient to liquidate principal and interest thereon at 7 per cent per annum within 20 years will be paid. Loan is secured on customs the same as British loan of 1911 and after that loan and subsequent advances by the British it is to have priority. If customs are not sufficient to meet this obligation, the Persian Government must provide other adequate security. Loan may be repaid by future British loans. Full text will be sent later.

CALDWELL

[1] Not printed.

741.91/81 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 13, 1919, 7 p.m.*
[*Received August 17, 11.30 a.m.*]

162. Strictly confidential. Public sentiment running against the present Cabinet on account of recent British treaty which many Persians consider to be in effect a mandate for Great Britain over Persia, thus circumventing League of Nations.

The treaty was secretly, and surreptitiously, prepared and suddenly announced. Public, including other Legations, greatly surprised and attribute to Cabinet lack of good intention and to Great Britain bad faith. Full text with [Persian newspaper comment on agreement] follows by cable. See my 160, August 11, 6 p.m.

CALDWELL

741.91/22 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 16, 1919, 7 p.m.*
[*Received August 21, 7.57 p.m.*]

163. The following is the full text of the agreement between Great Britain and Persian Government:[2]

. . . . . .

Persian patriots claim that this treaty amounts to a protectorate over Persia by Great Britain but the Persians are prevented from public expression of opinion or giving vent to feelings in any manner by the existing martial law and controlled press, as well as the fact that British Army now occupy Persia.

While by the provision of the Persian Constitution, treaties are not effective until ratified by Persian Mejliss,[3] nevertheless, it is understood that steps have been taken to immediately put into effect the provisions of this agreement. Moreover the current elections throughout the provinces are entirely controlled by the present Cabinet, members of which have been chosen as representatives of provinces wherein they have never been.

CALDWELL

741.91/23 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 18, 1919, 7 p.m.*
[*Received August 19, 2.22 a.m.*]

2831. At interview this afternoon for that purpose Curzon states that French sentiment seems hostile to Anglo-Persian agreement and

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[2] For text of agreement, see p. 703.

[3] The national assembly.

French Minister at Teheran disposed to foment dissatisfaction, in which he hopes for assistance of American Minister. Requests that latter be put on guard and asked to preserve friendly attitude.

DAVIS

741.91/21 : Telegram

The Secretary of State to the Minister in Persia (Caldwell)

WASHINGTON, *August 19, 1919, 5 p.m.*

141. Your 160, August 11th; 161, August 13th;[4] and 162 August 13, keep Department fully and promptly informed all developments matters referred to in these telegrams particularly as to how treaty is received by Persians.

LANSING

741.91/23 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 20, 1919, 4 p.m.*

5844. Your urgent 2831, August 18, 7 p.m.

The Anglo–Persian agreement has caused a very unfavorable impression upon both the President and me and we are not disposed to ask our Minister at Teheran to assist the British Government or to ask him to preserve a friendly attitude toward this agreement. At Paris I asked of Mr. Balfour three times that the Persians have an opportunity to be heard before the Council of Foreign Ministers because of their claims and boundaries and because their territory had been a battle ground. Mr. Balfour was rather abrupt in refusing to permit them to have a hearing. It now appears that at the time I made these requests Great Britain was engaged in a secret negotiation to gain at least economic control of Persia. The secrecy employed and the silence observed seem contrary to the open and frank methods which ought to have prevailed and may well impair the bases of a peace inspired by friendliness. We cannot and will not do anything to encourage such secret negotiations or to assist in allaying the suspicion and dissatisfaction which we share as to an agreement negotiated in this manner.

You will respond to Lord Curzon's request in this general sense.

LANSING

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[4] Not printed.

741.91/82 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 23, 1919, 10 a.m.*
[*Received August 26, 9.28 p.m.*]

165. Department's instruction August 19, 5 p.m. Public sentiment against the treaty unabated but the people are afraid to demonstrate for fear of punishment, imprisonment, or exile, because of prevalence of martial law of more than a year's duration, controlled press and presence of British Army.

Numerous applicants American and French Legations for *bast*[5] as protest which have been of course denied.

All newspapers as far as permitted denounce the treaty with the exception of *Raad* the official cabinet organ which states that "America, the only Government able to assist Persia abandoned her; that the four great powers at Paris decided that Persia should be under protection and that it is a part of Great Britain's portion; that Persia has been deceived by President Wilson's good workers [*fine words?*] and that Persia is in the same position as Egypt." This newspaper also fiercely criticises the Persian Peace Commission at Paris and its claims. Before leaving Paris, Commission[er] Moshaver-ol-Mamalek has been dismissed from Commission and as Foreign Minister and tendered Ambassadorship to Constantinople.

Other newspapers denounce treaty but suggest that similar treaty be made with America if possible. I am besieged with requests to know if my Government might be induced to make similar treaty if public opinion, [fall of] cabinet or such prevented this treaty from being carried into effect. Has Department any instructions in the matter.

CALDWELL

741.91/83 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 28, 1919, 1 p.m.*
[*Received September 1, 9.30 a.m.*]

169. Public sentiment decidedly adverse to recent agreement remains unchanged. Yesterday afternoon a number of ex-Cabinet officers and citizens visited Prime Minister [voicing] their indigna[nt] protestations. Numerous indignation meetings have taken place, some provincial cities closing bazars as an act of protest.

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[5] Asylum.

Russian Legation actively opposing treaty, now desiring open door policy for Persia. They will probably never again pursue former encroachment policy here and now only desire to guard against possibility of similar policy from Great Britain and to protect present frontiers. Many Persians honestly believe that treaty marks an end of Persian independence; others say that it effects agreement with which it is carried out, but are suspicious of British policy here.

Prime Minister has issued a long *communiqué* attempting justification of policy pursued. Present Foreign Minister and other members of the Cabinet have told protesting Persians that America had already refused to aid Persia.

British Minister considers matter great local triumph but other Englishmen fear a bad effect [on] reputation abroad may result therefrom.

This Legation of course refrain[s] from expression of opinion pending Department's instruction, though often pressed therefor.

CALDWELL

741.91/24 : Telegram

The Minister in Persia (Caldwell) to the Secretary of State

TEHERAN, *August 31, 1919, 9 a.m.*
[*Received September 3, 4.08 a.m.*]

170. Following has been received from Consul Paddock, Tabriz.

"An extract of the British agreement with Persia has been published here and has been received with great disfavor by all classes with the exception of certain parties interested and others, such as some of merchant class, who expect to profit thereby, but there has been no open opposition up to the present as it is generally believed and hoped that Persian Mejliss will decline to ratify the agreement. British Consul is making every effort to influence Persian public opinion in favor of the agreement and therefore cannot be expected to sympathize with our Urumiah investigation [7] or any intervention in behalf of Christian interests at the present moment. The majority of intelligent Persians here realize that some form of foreign control and direction was inevitable and to be desired and they would have welcomed such on the part of the United States or even France but they mistrust British designs and feel the form of the agreement and the manner in which it was obtained offer no guarantees against an exclusive British policy at variance with the principles of the League of Nations and other undertakings of the peace treaty."

CALDWELL

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[7] A proposed joint investigation by the American and French Governments of the disturbances and massacres of Christians at Urumia during 1918 and 1919 (File No. 891.4016/52).

741.91/3

The Ambassador in Great Britain (Davis) to the Secretary of State

No. 1245 LONDON, *September 2, 1919.*
[*Received September 15.*]

SIR: I have the honor to enclose herewith, for the information of the Department, copies, in duplicate, of the Agreement between His Britannic Majesty's Government and the Persian Government, (Persia No. 1 (1919)).

I have [etc.] JOHN W. DAVIS

[Enclosure]

Agreement between Great Britain and Persia, Signed at Teheran, August 9, 1919[8]

No. 1

AGREEMENT BETWEEN THE GOVERNMENTS OF GREAT BRITAIN AND PERSIA

PREAMBLE: In virtue of the close ties of friendship which have existed between the two Governments in the past, and in the conviction that it is in the essential and mutual interests of both in future that these ties should be cemented, and that the progress and prosperity of Persia should be promoted to the utmost, it is hereby agreed between the Persian Government on the one hand, and His Britannic Majesty's Minister, acting on behalf of his Government, on the other, as follows:—

1. The British Government reiterate, in the most categorical manner, the undertakings which they have repeatedly given in the past to respect absolutely the independence and integrity of Persia.

2. The British Government will supply, at the cost of the Persian Government, the services of whatever expert advisers may, after consultation between the two Governments, be considered necessary for the several departments of the Persian Administration. These advisers shall be engaged on contracts and endowed with adequate powers, the nature of which shall be the matter of agreement between the Persian Government and the advisers.

3. The British Government will supply, at the cost of the Persian Government, such officers and such munitions and equipment of modern type as may be adjudged necessary by a joint commission of military experts, British and Persian, which shall assemble forthwith for the purpose of estimating the needs of Persia in respect of the formation of a uniform force which the Persian Government

[8] Parliamentary Papers "Persia No. 1 (1919). [Cmd. 300.]"

proposes to create for the establishment and preservation of order in the country and on its frontiers.

4. For the purpose of financing the reforms indicated in clauses 2 and 3 of this agreement, the British Government offer to provide or arrange a substantial loan for the Persian Government, for which adequate security shall be sought by the two Governments in consultation in the revenues of the customs or other sources of income at the disposal of the Persian Government. Pending the completion of negotiations for such a loan the British Government will supply on account of it such funds as may be necessary for initiating the said reforms.

5. The British Government fully recognising the urgent need which exists for the improvement of communications in Persia, with a view both to the extension of trade and the prevention of famine, are prepared to co-operate with the Persian Government for the encouragement of Anglo–Persian enterprise in this direction, both by means of railway construction and other forms of transport; subject always to the examination of the problems by experts and to agreement between the two Governments as to the particular projects which may be most necessary, practicable, and profitable.

6. The two Governments agree to the appointment forthwith of a joint Committee of experts for the examination and revision of the existing Customs Tariff with a view to its reconstruction on a basis calculated to accord with the legitimate interests of the country and to promote its prosperity.

Signed at Tehran, August 9, 1919.

No. 2

AGREEMENT RELATING TO LOAN OF 2,000,000L., AT 7 PER CENT., REDEEMABLE IN TWENTY YEARS

PREAMBLE: Contract between the British Government and the Persian Government with reference to an agreement concluded this day between the said Governments. It is agreed as follows:—

ARTICLE 1. The British Government grant a loan of 2,000,000*l*, sterling to the Persian Government, to be paid to the Persian Government as required in such instalments and at such dates as may be indicated by the Persian Government after the British Financial Adviser shall have taken up the duties of his office at Tehran, as provided for in the aforesaid agreement.

ART. 2. The Persian Government undertakes to pay interest monthly at the rate of 7 per cent. per annum upon sums advanced in accordance with article 1 up to 20th March, 1921, and thereafter to

pay monthly such amount as will suffice to liquidate the principal sum and interest thereon at 7 per cent. per annum in twenty years.

ART. 3. All the revenues and Customs receipts assigned in virtue of the contract of the 8th May, 1911,* for the repayment of the loan of 1,250,000*l.*, are assigned for the repayment of the present loan with continuity of all conditions stipulated in the said contract, and with priority over all debts other than the 1911 loan and subsequent advances made by the British Government. In case of insufficiency of the receipts indicated above the Persian Government undertakes to make good the necessary sums from other resources, and for this purpose the Persian Government hereby assigns to the service of the present loan, and of the other advances above mentioned, in priority and with continuity of conditions stipulated in the aforesaid contract, the Customs receipts of all other regions, in so far as these receipts are or shall be at its disposal.

ART. 4. The Persian Government will have the right of repayment of the present loan at any date out of the proceeds of any British loan which it may contract for.

Signed at Tehran, August 9, 1919.

No. 3

ARTICLE 5 OF CONTRACT BETWEEN THE PERSIAN GOVERNMENT AND THE IMPERIAL BANK OF PERSIA RELATING TO THE PERSIAN GOVERNMENT FIVE PER CENT. LOAN OF 1,250,000L. OF MAY 8, 1911

(Included for reference)

[ART.] 5. The Imperial Government of Persia specially assigns to the service of the loan, and as a first charge thereon, subject only to prior charges amounting to 15,714*l.* 1*s.* 10*d.* per annum for three years, and 30,278*l.* 12*s.* 7*d.* per annum from the year 1913 to the year 1928. The full net customs receipts of every description which the Government now is, or at any time hereafter may be, entitled to collect and receive at all ports or places in the Persian Gulf, including Bushire, Bunder Abbas, Lingah, Mohammerah, and Ahwaz, which receipts are hereby made payable to the Bank and the Imperial Government of Persia hereby engages forthwith after receipt thereof to pay to the Bank all such Customs receipts as aforesaid without deduction other than for actual expenses of administration of the customs of the said ports disbursed prior to the date of such payment.

(*a.*) The Imperial Government of Persia undertakes that throughout the continuance of the loan all sums collected by the Customs

* See No. 3 [Footnote in the original].

Administration shall be paid to the Bank at the ports of collection, or at its nearest branch, week by week for meeting the prior charges referred to above and for the service of the loan, and an account of such receipts shall be submitted to the Persian Government by the Bank at the end of each month.

(*b.*) The bank shall, out of the moneys so collected, pay the prior charges above-mentioned, and the interest and sinking fund of the loan, and shall hold the surplus at the disposal of the Imperial Government of Persia.

(*c.*) The bank undertakes, out of the moneys so received, to pay on behalf of the Imperial Government of Persia the half-yearly coupon in London, and supervise the working of the sinking fund and service of the loan free of charges connected with the same.

(*d.*) In the event of the Customs receipts of the above-mentioned ports for any three months falling short of the amount required for the prior charges and the service of the loan, either for interest or amortisation, the Imperial Government of Persia binds itself to make good such deficiency from other sources of Government revenue, and further, should receipts from these sources fall below the amount required as above, the Persian Government hereby assigns for this purpose the revenue derived from the receipts of the telegraphs—this assignment to constitute a second charge on the said telegraph receipts up to the year 1928, after which the telegraph receipts will be free.

No. 4

SIR P. COX [9] TO HIS HIGHNESS VOSSUG-ED-DOWLEH [10]

BRITISH LEGATION,
Tehran, August 9, 1919.

YOUR HIGHNESS, I Trust your Highness has been able, during your successful direction of affairs of the Persian State, to convince yourself that His Britannic Majesty's Government have always endeavoured to support to the utmost the efforts of your Highness's Cabinet on the one hand to restore order and security in the interior of the country, and on the other to maintain a policy of close co-operation between the Persian and British Governments.

As further evidence of the goodwill by which the Cabinet of London is inspired, I am now authorised to inform your Highness that, in the event of the agreement regarding projects of reforms which your Government contemplates introducing in Persia being

[9] British Minister to Persia.
[10] Persian Prime Minister.

concluded, His Britannic Majesty's Government will be prepared in due course to co-operate with the Persian Government with a view to the realisation of the following desiderata:—

1. The revision of the treaties actually in force between the two Powers.
2. The claim of Persia to compensation for material damage suffered at the hands of other belligerents.
3. The rectification of the frontier of Persia at the points where it is agreed upon by the parties to be justifiable.

The precise manner, time and means to be chosen for pursuing these aims shall be discussed, as soon as practicable, by the two Governments.

I have [etc.] (Signed) P. Z. Cox

No. 5

SIR P. COX TO HIS HIGHNESS VOSSUG-ED-DOWLEH

BRITISH LEGATION,
Tehran, August 9, 1919.

YOUR HIGHNESS, With reference to the second desideratum indicated in my previous letter of to-day's date, it is understood and agreed between the two Governments reciprocally that, on the one hand His Majesty's Government will not claim from the Government of His Majesty the Shah the cost of the maintenance of British troops which His Majesty's Government were obliged to send to Persia owing to Persia's want of power to defend her neutrality, and that on the other hand the Persian Government will not claim from the British Government an indemnity for any damage which may have been caused by the said troops during their presence in Persian territory.

It is to be understood, however, that this agreement of the two parties does not in any way affect the claims of individuals and private institutions, which will be dealt with independently.

A note from your Highness informing me that you accept this position on behalf of the Persian Government will suffice to record the agreement of the two Governments on this subject.

I have [etc.] (Signed) P. Z. Cox

741.91/83 : Telegram

The Secretary of State to the Minister in Persia (Caldwell)

WASHINGTON, *September 4, 1919, 5 p.m.*

Your 169, August 28. You are instructed to deny both to Persian officials, and to any one else interested in this matter, that America

has refused to aid Persia. You will also state that the United States has constantly and consistently showed its interest in the welfare of Persia and that the American Mission at Paris several times endeavored earnestly to secure a hearing for the Persian Mission before the Peace Conference. The American Mission was surprised that it did not receive more support in this matter but the announcement of the new Anglo–Persian Treaty probably explains why the American Mission was unable to secure such hearing. It would appear also that the Persian Government at Teheran did not strongly support the efforts of its Mission at Paris.

The Government of the United States has learned with surprise of the recent Anglo–Persian Treaty which would seem to indicate that Persia does not desire American support and cooperation in the future, in spite of the fact that the Persian delegates in Paris strongly and openly sought our assistance.

LANSING

741.91/4 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *September 13, 1919, 2 p.m.*
[*Received 11.45 p.m.*]

3039. Following letter received September 12th from Lord Curzon.[11]

" You will remember that on August 18 I asked you to favor me with a visit at the Foreign Office in order that I might acquaint you with the recent conclusion of an agreement between the British and Persian Government. I informed Your Excellency that your Government had not been kept in entire ignorance of the matter because when I was in Paris some time ago I had called upon Colonel House especially to mention to him the nature of the negotiations in which I was engaged, and I had asked him to inform President Wilson on the matter so that the President might be guided in his attitude towards the Persian delegation at Paris should their claim to be heard at the Peace Conference be entertained. That Colonel House undertook this mission is certain because at a later date in London he informed me that he had carried it out and had informed the President of what I had said.

No hint of doubt or disapproval was conveyed to me, and I have ever since remained under the impression that the agreement was one which would meet with the cordial approval of your Government and country. This impression was more than confirmed by our interview on August 18. On that occasion I mentioned to you that the French, vexed as I believed at the failure which had so far attended their efforts in Syria, had assumed a hostile atti-

[11] British Acting Secretary of State for Foreign Affairs during the absence of Mr. Balfour.

tude to the agreement at Teheran which their Minister was doing his best to disparage, and I said that I thought it not unusual that he would endeavor to enlist the cooperation of his American colleague in pursuing this policy. In these circumstances, and assuming, as I think I was entitled to do, that your Government would be, generally speaking, in favor of the agreement, I asked Your Excellency whether you could see your way to suggest that the American Minister at Teheran should be advised to facilitate the acceptance of the agreement and to give it his blessing.

You very readily and courteously consented to take this step and you further told me that you thought the agreement a good one; better, indeed, for Persia than it was for Great Britain.

As my reports from Teheran led me to doubt whether the American Minister could have taken action during the last few days [I] sought more than once for an opportunity of seeing Your Excellency in order to ascertain what reply your Government had returned to your representations. Your absence from town has, however, unfortunately prevented me from seeing you and now I am obliged to take my own departure. In these circumstances I venture to write this letter.

The cause for doing so is rendered much more urgent by information which has reached me only this morning by wire from Teheran. It appears that on the night of September 9, the American Minister, without any communication to the Persian Prime Minister or the Persian Government, addressed the following *communiqué* in the three vernacular papers and simultaneously through the agency [of?] the native staff of the Legation distributed a great number of typed copies throughout the city:

'In view of misrepresentations contained in an article published in *Raad* of August 19 last with reference to attitude of President Wilson, American Peace Mission and of America towards Persia, it is thought proper to submit herewith a *communique* just received from United States (State Department?) at Washington: To American Legation Teheran.

1. The United States Government instructs you to please deny to Persian officials and to any other Persians or persons who may be interested, that United States has refused to aid Persia. America has uniformly shown [her] interest in welfare of Persia in many ways.

2. The American members of the Peace Commission at Paris often tried to obtain a hearing for Persian delegates before the Peace Conference and American Commission was surprised that it did not receive more aid and support in its endeavor, but announcement of new treaty probably explains the reason why the Americans were unable to get such a hearing for Persian delegates.

3. It also appears that Persian Government at Teheran lent no strong support to efforts of its delegates sent to Paris. The American Government is surprised to learn of the recent Anglo-Persian treaty which would seem to indicate that Persia does not wish America's aid or support hereafter, and this in spite of the well known fact that Persian Peace Commission at Paris openly and urgently sought American aid and assistance'.

I have of course no responsibility for what may have appeared in the *Raad* newspaper nor have I any right to object to the United States Government or its representative seeking to correct newspaper misrepresentation. But in view of the facts which I have before stated to Your Excellency and have repeated in this letter, I find considerable difficulty in understanding the passage about the surprise of the United States Government at learning of the agreement, while I may be pardoned if I point out that such action taken without

warning or notice by the Minister of a great and friendly power at the Persian capital, while hardly in accord with the ordinary forms of diplomatic procedure, would undoubtedly be regarded locally, and indeed was regarded, as a challenge to the Anglo-Persian agreement of an unfriendly and almost a hostile character.

That such can have been the intention of the American Government I am free [*loath?*], in view of what Your Excellency said to me, to believe. Nor can I discover anything in the agreement itself to justify an attitude of suspicion on the part of any friend of Persia. Indeed, the agreement possesses a striking resemblance in many particulars to that which the American Government have lately been negotiating with the Liberian Government as the best friend of Liberia. This agreement provides for an American credit of $5,000,000 for the administration by the Americans of the customs and inland revenue of Liberia, for a similar administration by American citizens of the Liberian hinterland, and for the creation of a military police under American officers, provisions which postulate a far greater control, both political and economic, over the fortunes of Liberia than any that is even remotely suggested by the Anglo–Persian agreement, notwithstanding that the latter is justified by the additional arguments of [*sic*] growing out of contiguity to the Indian Empire of Great Britain and of the enormous expense to which Great Britain has been put in sustaining the interests of the Allies in Persia during the war, and in upholding the Government of that country. His Majesty's Government, in deference to the urgent request of the American Government, not only assented to the American proposals with regard to Liberia but even deferred to the strongly expressed American desire that they should not be referred to the Council of the League of Nations for approval.

In these circumstances I cannot help thinking that there must still be some misunderstanding which it is desirable to clear up. I should hope that by now instructions may have reached the American Minister at Teheran to act in the spirit to which Your Excellency had given your ready adhesion and as regards the regrettable incident to which I have called attention in this letter, I would venture to express the further hope that Your Excellency's Government may see their way without delay to inform the Persian Government and the Persian press that the *communique* to which I have referred was intended not to cast any aspersion on the Anglo–Persian agreement, which is designed in the best interests of Persia, but only to refute any misapprehension caused by the article in the *Raad*. It would indeed be a misfortune if at this turning point in the fortunes of Persia grounds were given for the suspicion that the great powers whose joint exertions and sacrifices have won the war were divided in their conceptions of Persian policy and if that country were thrown back into the vortex of international jealousy and competition from which it has suffered so sorely in the past. Curzon."

To which I have today replied as follows:

"I beg to acknowledge the receipt of your Lordship's communication of September 11 and regret that my absence on yesterday and the day before debarred me from the pleasure of a personal interview. While the particular incident to which your letter refers now

comes to my notice for the first time, the general subject is one which I have desired to discuss with you in a personal interview, but for this, by reason first of your absence and then of my own, no opportunity has offered, notwithstanding my efforts to that end.

I shall of course communicate the sense of your letter to my Government without delay as I did the request which you have made at our interview of the 18th. Prior to that meeting, my only knowledge touching the Anglo–Persian agreement had been gathered from the public announcement of its conclusion made some three days earlier, and it is perhaps unfortunate therefore that you gathered from our conversation any impression as to the attitude of my Government, of which I was then unaware. But I should tell you that upon communicating with Washington, I learned that neither the President nor the Secretary of State were favorably impressed by what they conceived to be the secrecy with which the agreement was negotiated, and felt that there had been some lack of frankness in the matter more especially as the presence of the Persian delegation in Paris seemed to offer numerous occasions for a full statement of the intentions and purposes of the British Government in the premises, and that they were therefore indisposed to take the responsibility of any steps which would indicate their approval of the treaty thus negotiated.

Upon receipt of this information I put myself in touch with Colonel House, repeating to him the conversation at Paris between him and yourself as you had detailed it to me. His recollection confirms your own as to the fact that you presented to him the inadvisability of receiving before the Conference the Persian delegation, representing that the subject of Persia should be otherwise dealt with,—all of which he repeated to the President. But unfortunately he cannot recall any allusion to the contents or character of the instant treaty or to the intention to negotiate an engagement of this sort and is thus unable to dispel the feeling of surprise which the President and Secretary entertain.

I welcome Your Lordship's letter, therefore, as affording an opportunity to clarify the situation and remove any misunderstanding which may exist."

Before transmitting this reply I submitted it to Colonel House, who confirms the accuracy of that portion relating to himself. Have also discussed subject with Lord Grey, who tells me he has advised Foreign Office to give out explanatory statement specifically announcing, among other things, intention to submit any customs changes to nations affected for their criticism.

DAVIS

741.91/9

The Ambassador in Great Britain (Davis) to the Secretary of State

No. 1330 LONDON, *September 16, 1919.*
Confidential [*Received October 6.*]

SIR: With reference to the Department's telegram No. 5844 of August 20, 4 p.m., and my telegram No. 3039 of September 13, 2 p.m.,

regarding the Anglo–Persian Agreement, I have the honor to transmit herewith enclosed, for the information of the Department a copy of an informal communication I have received from Earl Curzon on the subject of his interview with Colonel House.

I have [etc.]

For the Ambassador,
J. Butler Wright

[Enclosure]

The British Acting Secretary of State for Foreign Affairs (Curzon) to the American Ambassador (Davis)

September 14, 1919.

My Dear Ambassador: I am away in the country and can therefore only return the briefest reply to your letter of September 12 on the subject of the Anglo–Persian Agreement. I shall be quite ready to discuss this with you at any time, and I only write the present line in order to clear up the point about my meeting with Colonel House at Paris.

It was with the knowledge and on the advice of Mr. Balfour with whom I had discussed the matter that being unable, during my brief stay in Paris, to find the President disengaged, I called upon Colonel House for the precise object mentioned in my last letter. The only reason for which I could mention to him the case of the Persian Delegation, and my sole ground for preferring that the question of Persia, which the Conference had for 6 months shown no inclination to touch, should not be settled there, was, as I told him, that on behalf of the British Government I was negotiating an Agreement with the Persian Government myself. On no other ground could I have had any right to mention the matter at all or to ask that President Wilson should be informed. On my return from seeing Colonel House I at once reported what had passed to Mr. Balfour, and upon Colonel House informing me later that he had passed on what I said to the President, I assumed and have ever since proceeded upon the assumption that the American Govt. was at least aware of the general intention of H.M.G.

I am [etc.] Curzon of Kedleston

741.91/5 : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)

Washington, *September 19, 1919, 5 p.m.*

5970. Department has received following telegram dated September 15 from American Minister at Teheran

"Reuter news telegram published by the British here today contains the following: 'Reports that France and the United States have protested against the recent Anglo–Persian Treaty are entirely unfounded.' This is doubtless for the pacification of the hopeful Persian public whose hostility continues unabated though silenced by fear."

You may orally bring the Reuter statement to the attention of the British Foreign Office inquiring whether this report had the sanction of the British authorities calling attention to the fact that while it may be technically correct it in reality conveys a very misleading impression.

PHILLIPS

741.91/7 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *September 23, 1919, 6 p.m.*
[*Received 8.41 p.m.*]

3098. Your number 5970.[12] Before renewing discussion matter with Foreign Office would like to have if possible further information touching our attitude.

Have no answer to my number 3039.[13] Since our despatch have letter from Curzon copy of which is *en route* to you by mail, insisting that his interview with House was on Balfour's advice and for sole purpose of communicating the exchange of ratifications he was negotiating with Persia. Upon this House observes that he has no reason to doubt Curzon's memory but there was no discussion [of] details, and conversation was so casual as to leave no impression as to what agreement was to be. This phase of matter perhaps unimportant except as showing Curzon's desire to escape from charge of secrecy.

Supplementing my number 3077[14] reporting Curzon's speech, the text of which is also *en route*, Curzon went on to declare that there was no claim of right to revise existing customs treaties with third powers or to create a monopoly or claim exclusive rights in development of country. He denied application of any pressure upon Persia in negotiations and promised support to Persian delegates should they wish to raise before Paris Conference claims to reparation by belligerents for ratification [*violation?*] of frontiers.

It is of course impossible to challenge the sincerity of these professions which must be proved by the evidence. Assuming sincerity do they meet our objection to treaty. Do our objections go to substance of treaty or to time and manner of its negociation. The

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[12] *Supra.* [13] *Ante*, p. 708. [14] Not printed.

treaty being an accomplished fact is our attitude one of active protest or mere refusal to take any steps signifying approval. In either case it seems essential that I be informed what instructions have been issued to Teheran on the subject.

DAVIS

741.91/7 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *October 4, 1919, 1 p.m.*

6049. Your 3039 [15] and 3098.[16]

It is noted that Lord Curzon in view of his conversation with Colonel House states that he was under the impression that the Government of the United States was aware of the character of the negotiations which he was conducting with the Persian Government and that he believed that the United States would give the agreement cordial approval. Colonel House recalls indeed a casual conversation with Lord Curzon regarding Persian affairs but it did not occur to him that he was being formally approached as the official channel of communication with the United States Government in this instance.

Lord Curzon's letter takes exception to a *communiqué* issued by the American Minister in Teheran on September 7 which was published in the local press of Teheran and which his Lordship states was of a nature to be regarded as a challenge to the Anglo–Persian agreement of an unfriendly and almost hostile character. He points out what he conceives to be a striking resemblance between the British Agreement with Persia and that which the American Government has under consideration with the Liberian Government. In conclusion his Lordship requests this Government, without delay, to inform the Persian Government and the Persian press that the *communiqué* above referred to was not intended to cast any aspersions on the Anglo–Persian agreement but only to refute any misapprehensions caused by an article in the Persian *Raad*.

You may advise Lord Curzon that the Government of the United States was not aware until formal announcement that an agreement was being negotiated by the British and Persian Governments; that the *Communiqué* above referred to sets forth the facts of the situation as viewed by this Government, and which it does not seem necessary to repeat herein.

On August 23 this Government was advised of the following article appearing in the *Raad*, the official cabinet organ in Teheran: "America, the only government able to assist Persia, abandoned her;

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[15] *Ante*, p. 708. [16] *Supra*.

the four great powers at Paris decided that Persia should be under protection and that it is a part of Great Britain's portion. Persia has been deceived by President Wilson's good workers [*fine words?*] and Persia is in the same position as Egypt." This was followed by other telegrams from the American Legation in Teheran indicating that the highest Persian officials openly stated that America had refused to aid Persia. In this connection you may remind his Lordship that the people of the United States have always been deeply interested in the welfare of Persia and during the recent terrible famine American philanthropy on a generous scale, came to the relief of suffering Persians and did what it could to mitigate the unhappy conditions then existing.

It was deemed essential therefore, by this Government in view of the statements of the Persian officials and press to authorize the American Minister at Teheran to deny that the United States had refused to aid Persia and it is not surprising that the Minister's denial soon became publicly known in Teheran. This Government may be pardoned in pointing out that the source of such action arose solely from the act of His Majesty's Government in concluding, without the preliminary knowledge and acquiescence of this Government, an agreement with the Government of the Shah which promises so materially to affect the relations of the United States with Persia.

Lord Curzon takes occasion to dwell upon the alleged similarity of the Liberian and Persian problems and of the relationships of the United States and Great Britain to those respective countries under the prospective agreements. It may not be amiss, therefore, to point out once more the underlying circumstances concerning the relations of the United States and Liberia.

The Republic of Liberia was founded one hundred years ago through agencies of the United States Government in conjunction with the American Colonization Society, a private enterprise.

Ever since its foundation, this Government has taken a deep interest in the welfare of Liberia and has repeatedly aided her in boundary troubles arising from the extensive encroachments of foreign powers. Latterly the assistance of this Government, as a completely disinterested friend of the Republic, has been especially necessary in view of the threatened attempt of foreign nations, to infringe the sovereignty of Liberia, for their own ends, either through direct means, such as the control of Liberian frontier forces, or indirectly, through the acquisition, by their nationals, of concessions granting extensive control over the industrial, commercial, and financial life of Liberia. The traditional attitude of historical responsibility toward Liberia which the United States has always held, was stated by Secretary of State Bayard in 1886 to France:

"We exercise no protectorate over Liberia but the circumstances that the Republic of Liberia originated through the colonization of American citizens and was established under the fostering sanction of this Government, gives us the right as the next friend of Liberia to aid her in preventing any encroachment of foreign powers." This statement has been ever since the keynote of the American policy in Liberia.

It should be especially noted that the Government of the United States, whenever it has interested itself in Liberian affairs has done so at the express request of the Government of the Republic and with the fullest approval of the Liberian people. In fact, Liberia throughout her history has evinced the fullest confidence in the disinterested attitude of this country and has repeatedly expressed the desire that the United States interest itself most closely in Liberian affairs. Indeed an arrangement similar to that now contemplated was formally and spontaneously suggested by the Liberian Government as long ago as 1908 and the plan of reorganization now proposed has received the widest approbation of the Liberian Government and people.

Whatever may be the apparent similarity of the contemplated agreement between the United States and Liberia to that consummated between Great Britain and Persia, you should point out with all earnestness that, in addition to the underlying dissimilarity of the two problems, as indicated above, the character of the negotiations leading up to the agreements were of an entirely different nature. On the one hand, in the case of Persia an agreement was entered into by His Majesty's Government with the Shah which affected the relations of Persia to the United States without obtaining the views of the Government of the United States; on the other hand, in the case of Liberia the American Government has been scrupulously careful not to enter upon direct negotiations with Liberia upon a matter which even touched upon the relations of Liberia with Great Britain until a preliminary understanding with His Majesty's Government had been reached. To this end, by a memorandum to the British Embassy in Washington of November, 1918,[17] the British Government was made aware of the vital needs of Liberia and of the desire of the United States Government to come to its assistance. It was not, however, until September, 1919, and after protracted negotiations that the approval of His Majesty's Government to the contemplated arrangement with Liberia has been obtained—thus causing a delay of ten months in extending the contemplated assistance to Liberia.[18]

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[17] *Foreign Relations*, 1918, p. 545.

[18] For these negotiations, see pp. 464 ff.

In conclusion you may point out that this Government is glad of the opportunity afforded by Lord Curzon frankly to express its views in this matter and to say that it is not in a position at the present time to give approval to the Anglo–Persian agreement until and unless it is clear that the Government and people of Persia are united in their approval and support of this undertaking.

The passage regarding Colonel House should be shown to him before communication to Foreign Office.

Last paragraph your 3098 [19] American Minister Teheran has received no further instruction since authorization to issue public statement which he did approximately in the form quoted by Lord Curzon.

LANSING

741.91/10 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *October 8, 1919, 4 p.m.*
[*Received October 8, 2.55 p.m.*]

3205. Your 6049 [20] and 6060.[21] Have transmitted today to Foreign Office note embodying your 6049.[22] It being no longer possible to reach Colonel House I have substituted for the last five lines of your first paragraph referring to him the following.

"I am permitted to quote a recent letter from Colonel House to the effect that 'I have no reason to doubt that Lord Curzon's memory as to what occurred between us is correct, nevertheless, the fact remains that there was no discussion of details and I was left with no impression as to what the agreement with Persia was to be. It was all so casual that I am sure it made no impression upon the President either'."

Remainder of note follows despatch with slight paraphrasing. Copy forwarded by mail.

DAVIS

741.91/20 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *December 18, 1919, 6 p.m.*
[*Received December 18, 4.48 p.m.*]

3558. Foreign Office is just informed by Associated Press that it in turn learns through Paris source that correspondence exchanged

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[19] *Ante*, p. 713.
[20] *Supra.*
[21] Not printed.
[22] The Ambassador's note to the Foreign Office was dated Oct. 7 (File No. 741.91/14).

between Curzon and myself regarding Anglo–Persian agreement specifically including conversation with Colonel House has been furnished in the United States to the Associated Press for publication tomorrow. Foreign Office therefore hopes that such publication of correspondence without its consent will not be permitted at least until further exchange of views can take place.

DAVIS

741.91/20 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

[Paraphrase]

WASHINGTON, *December 19, 1919, 4 p.m.*

6290. Referring to Embassy's 3558 of December 18, the Department has not given to the Associated Press any statement regarding the Anglo–Persian Agreement, nor does it at present intend to do so. A fairly accurate summary of correspondence between you and Lord Curzon was published in New York in the *Times* and the *World* and other papers. This publicity is disturbing to the Department, although these articles have received only slight attention from the press. The Department is endeavoring, but so far without success, to discover the source from which the papers obtained their information. You will be informed of further developments.

LANSING

741.91/28

Memorandum of the Third Assistant Secretary of State (Long)

[WASHINGTON,] *December 22, 1919.*

The Persian Minister called this morning, on the eve of his departure for Switzerland to join and have a conference with the Shah. He spoke of the Anglo–Persian Treaty, asked what negotiations had occurred between the United States and England, and referred to the recent account which appeared in the New York *World* of England's reply to us. He said that in that account Lord Curzon had been quoted as saying that the United States Government had been advised of the matter through Colonel House. I reminded him that in the same account the statement had been made that if any information had been given to a representative of the United States as to England's intentions in regard to the Treaty, the advice was of such a casual and informal character that it made no impression on anyone and was not taken as being a communication.

He asked if there were any modifications which England had agreed to with the United States, and showed me another clipping from the *World* stating that there had been. I told him no, there

had been none. He asked what he should tell his Shah as to the position which the United States would take and what its position had been. I told him he might say to His Majesty that the Government of the United States had expressed its surprise to England and had declined to participate or to take any action which would indicate its approval of the Treaty. He intimated that as ratification by Parliament was necessary for the validity of the Treaty and as the Shah was shortly returning to Persia, an arrangement might be made by the Shah to prevent ratification and asked what attitude we would take.

In response I told him that it was a matter which was purely Persian and that we could not take any attitude but that we would feel very sorry to see an arrangement made by the terms of which Persia would lose part or the whole of its sovereignty.

BRECKINRIDGE LONG

102569—34——51

PERU

POLITICAL AFFAIRS

Presumptive Election of Augusto B. Leguía as President—Overthrow of President Pardo, July 4, 1919; Assumption of Power by Leguía as Provisional President—New Congressional Elections and Plebiscite on Constitutional Reforms; Victory of the Government—Recognition by the United States of Leguía as Head of the "de facto" Government, August 28—His Inauguration as Constitutional President, October 12—Continued Designation of His Government by the United States as "de facto"

823.00/249 : Telegram

The Consul General at Callao-Lima (Handley) to the Acting Secretary of State

LIMA, *May 20, 1919, 9 a.m.*
[*Received 4.15 p.m.*]

Referring to my telegram of May 12, 3 p.m.[1]

The presidential election vote Sunday and Monday in Callao-Lima Province gave Leguia large majority. Present indications incomplete returns from other provinces have elected him President of Peru.

HANDLEY

823.00/251 : Telegram

The Consul General at Callao-Lima (Handley) to the Acting Secretary of State

LIMA, *July 4, 1919, 8 a.m.*
[*Received 10.10 p.m.*]

Three o'clock this morning regiments one and two took the Government Palace, imprisoned President Pardo and most of the Cabinet Ministers, and installed Augusto B. Leguia, President of Peru. All conducted without disturbances. Practically no opposition. Rumored Pardo Government had decided nullify Leguia's election. Army now patrolling Lima. Do not anticipate trouble.

HANDLEY

823.00/252 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 4, 1919, 8 a.m.*
[*Received 10.28 p.m.*]

Four o'clock this morning President Pardo was seized in the Palace and is now imprisoned in penitentiary. Incidental to movement

[1] Not printed.

two soldiers killed and three wounded, including minor official. Minister of War and Minister of Government also in prison. Chief of Staff of Navy in prison, Chief of Staff of the Army escaped with 40 men. Prefect of Callao in prison and new prefect in power.

Leguia's followers instigators of [*coup d'état*].

As it is customary for the government in power to send official representative to fourth July reception at the Legation, have called off large reception prepared for this afternoon to avoid possible complications which would come from receiving or declining to receive representative of new regime.

McMillin

823.00/253 : Telegram

The Consul General at Callao-Lima (Handley) to the Acting Secretary of State

Lima, *July 4, 1919, 3 p.m.*
[*Received July 5, 10.26 a.m.*]

My telegram of July 4, 8 a.m. In a personal interview with Leguia this afternoon informed me there was deep laid conspiracy afoot deprive him fruits recent election and as last resort reluctantly gave instructions to Army officers resulting in orderly overthrow Pardo Government. Stated that Pardo and Cabinet Ministers would be dealt with fullest justice; that he had no personal hatred against any members of the recent Government. He would be Provisional President of Peru until general elections held within two months. Expect announcement of the new Cabinet tonight. All quiet Lima. No trouble reported in the provinces.

Handley

823.00/254 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

Lima, *July 4, 1919, 9 p.m.*
[*Received July 6, 1.06 a.m.*]

Leguia occupied Palace during the day appointing and swearing following Cabinet: Minister for Foreign Affairs and President of the Cabinet, Porras; Minister of Gobernacion, Cornejo; Minister Justice, Osores; Minister War, General Abrill: Minister of Finance, Idiáquez; Public Works, Gutierrez. Reported Leguia will issue proclamation immediately calling for election new Congress. His present determination is against designation temporary President but no steps yet taken for his own induction to the Presidency. No organized opposition yet developed. City tranquil.

McMillin

823.00/256 : Telegram

The Consul General at Callao-Lima (Handley) to the Acting Secretary of State

LIMA, *July 5, 1919, 2 p.m.*
[*Received July 6, 10.02 a.m.*]

Provisional President Leguia's Cabinet, headed by Doctor Meliton Porras formerly Minister for Foreign Affairs during Leguia's former administration, is composed of highly esteemed statesmen and business men who enjoy national respect. All the provinces have accepted new Government including the military and naval authorities. Alfonso Pezet, formerly Peruvian Minister to the United States, will probably be named Ambassador to the United States. He will arrive here July 10th. This afternoon Government established censor[ship] on foreign cables.

HANDLEY

823.00/257 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 5, 1919, 5 p.m.*
[*Received July 6, 3.38 p.m.*]

This morning Leguia issued a proclamation assuming Provisional Presidency claiming he did it to prevent thwarting public will as expressed [in] recent elections. Says that he was called to Peru by the public and elected President, he could not allow the country to continue in path of ruin. Charges conspiracy by the Government to prevent his election from being acknowledged. Charges Government ran politics to neglect of needy classes and defied judicial authority. Promises indispensable constitutional reforms and that period [of] transition and organization will not exceed two months.

MCMILLIN

823.00/258 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 6, 1919, 10 a.m.*
[*Received July 7, 2.47 a.m.*]

Legation received note [from] Foreign Office signed by newly appointed Minister for Foreign [Affairs] giving names of new Cabinet. See my telegram of July 4, 9 p.m. The note states Leguia has assumed control of Government with provisional character until time legal control can be taken.

Yesterday afternoon 6 o'clock, house of Barreda, cousin [of] President Pardo, was entered by mob. Representative of *Prensa* and numerous prominent citizens protested against violence and assailants [dispersed]. Newspaper *Actualidad* attacked by mob, paper temporarily put out of business. *El Tiempo* resumed publication yesterday. The two labor leaders arrested by Pardo government during recent strike released. Under the law, the Supreme Court decides contested congressional election cases and has been considering those resulting from recent elections. *La Prensa* today says Leguia Government has ordered Supreme Court [to] suspend this work. The Court published notice of its suspension. Today tranquil.

McMillin

823.00/254 : Telegram

The Acting Secretary of State to the Minister in Peru (McMillin)

Washington, *July 7, 1919, 1 p.m.*

Your July 4, 8 a.m. and 9 a.m. [*p.m.*] and July 5, 2 p.m.

Has Leguia proclaimed himself or been proclaimed President, if not who is now administering executive branch Government.

Was Leguia's election for the next presidential term definitely settled or was it still an open question. What is the customary date for the inauguration of the next President.

Strictly confidential and for your own information only. Your action in calling off reception approved and you are instructed to quietly avoid for the present any action which should lead new regime to believe they have been recognized by this Government. What action, if any, has been taken by the rest of the diplomatic corps in regard to the new government. Is Pardo and former Cabinet still in prison. Rush reply.

Phillips

823.00/261 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

Lima, *July 3, 1919, 10 a.m.*
[*Received 10.50 p.m.*]

Confidential. Your July 7th 1 p.m. Legations July 5th, 5 p.m. and July 6th, 10 a.m. Leguia's declaration assuming Presidency provisionally reported in Legations July 5th, 5 p.m. further confirmed in the note published yesterday to Supreme Court signed by new Minister of Justice Osores saying "The President Augusto Leguia

has assumed the Presidency of the Republic with provisional character until the next session of Congress and named Cabinet etc." Names of Cabinet given Legations July 4th, 9 p.m. except Minister of War now changed to Colonel Bedoya.

Leguia's election to Presidency had not been definitely determined as such contest would go before Congress to meet July 28th. See Legations July 6th, 10 a.m. concerning Supreme Court suspension of consideration of the contested Congressional election cases. I am reliably informed that Provisional Government proposes call new elections for Congress and amendment to Constitution.

Regular inauguration of the President August 17th.

Dean of the Diplomatic Corps has called a meeting today at the request of certain members to exchange ideas upon the present situation. From informal conversation at the French Legation inclined to believe French and British will recommend recognition of Leguia. British new Chargé d'Affaires more inclined to take hasty action than French Minister, probably moved by pending negotiations of British railroad interests in Peru.

Pardo, Minister of War and Minister of Gobernacion with some minor officials still in prison.

Consul General of the Netherlands informed Legation that American Consul General visited Leguia July 4th at the Palace; every other American official has followed strictly course indicated by the Department. Leguia sent his card to the Legation 4th of July and bearer informed that no reception held. *La Prensa* July 5th reported that Nuncio, American Minister and the British Chargé d'Affaires called on Leguia, British Chargé d'Affaires and I did not go and on private notification *La Prensa* made correction on own responsibility. Nuncio's visit at the request of Pardo family and personal.

McMillin

823.00/261a : Telegram

The Acting Secretary of State to the Minister in Peru (McMillin)

Washington, *July 8, 1919, 6 p.m.*

1. Is Leguia planning to have new congressional elections and if so when?

2. Is he planning new presidential election?

3. Have you tangible evidence in your possession that statements made by Leguia party which have appeared in the press are true, to the effect that Pardo attempted to use fraud in decision of presidential election contest?

Rush reply.

Polk

823.00/262 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 9, 1919, 11 a.m.*
[*Received July 10, 1.55 a.m.*]

Confidential. Italian Minister, senior member Diplomatic Corps, was requested by relatives President Pardo to see Leguia and get assurances of personal safety of Pardo, also to ascertain if he would be permitted to go to New York till family could join him and thence to Europe. Italian Minister called unofficially to prevent recognition of new Government. Leguia further promises safety assurances and said he would allow the departure of Pardo if he would sign renunciation of Presidency. Pardo replied that he would remain prisoner balance of term and four years more rather than resign. Leguia finally agreed to proposed departure of Pardo without resigning, allowing a few days to arrange business affairs in Peru. Arrangement will probably be carried out within ten days.

MCMILLIN

823.00/264 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 9, 1919, 2 p.m.*
[*Received July 10, 1.10 p.m.*]

Diplomatic Corps assembled last night on call Dean of the Diplomatic Corps to consider political situation. It developed that only three responses had been made to letter of new Minister for Foreign Affairs announcing change in the Government and new Cabinet. Chinese response recognized new Government. Argentine Minister replied that he had referred communication to his Government. Uruguayan Chargé d'Affaires acknowledged receipt. He afterwards told Secretary of Legation his Government would act with United States. Brazilian Chargé d'Affaires told Secretary of Legation he had recommended his Government that he be permitted to act with the United States in the matter of recognition. When asked what action my Government is taking we said we were keeping it fully advised and would wait for instructions; that only three days having elapsed since [note of] Minister for Foreign Affairs was received, [we] regard little further waiting on developments wisest. Spanish and some other Ministers approved this. French Minister suggested propriety waiting for answers until Pardo leaves Peru if he is to go abroad. This met with favor. Meeting dissolved without definite action except general acquiescence in a waiting policy.

MCMILLIN

823.00/265 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 10, 1919, 5 p.m.*
[*Received July 11, 7.11 a.m.*]

Your July 8th, 6 p.m. 1 and 2. Leguia planning elections extent of which not yet known. Has promised last three days would publish decree thereon. Promises press to publish tomorrow.

3. No tangible evidence now in possession of the Legation and none so far obtainable. Having military attaché discreetly investigate.

McMILLIN

823.00/268 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 11, 1919, 9 a.m.*
[*Received 3.50 p.m.*]

Your July 8, 6 p.m. Legation's July 10, 5 p.m. Press this morning contains decree issued last night by Leguia and by others for change Constitution and election new Congress. The following is a textual translation:[2]

"WHEREAS: 1. The national movement which ousted the former régime was inspired by a noble aspiration for the realization of constitutional reforms which would implant in Peru an effective democracy;

2. These reforms, because of their fundamental character, should have the sanction of the people itself in order that political or bureaucratic interests may not deflect them from their purely national purpose;

With the unanimous vote of the Council of Ministers;

IT IS DECREED: 1. That there be called a general election of representatives in accordance with a decree to be issued separately.

2. That there be submitted to the plebiscitary vote of the nation the following constitutional reforms:

ARTICLE 1. The renewal of the Legislative power will be entire and the date of this renewal will necessarily coincide with that of the renewal of the Executive power. The term of office of both powers shall be five years.

ARTICLE 2. The Legislature shall consist of a Senate composed of 35 senators and of a House composed of 110 deputies. This number may not be altered except by amendment of the Constitution. An organic law shall fix the departmental and provincial districts and the number of senators and deputies which each shall be entitled to elect.

ARTICLE 3. The senators and deputies of the Republic shall be elected by direct popular vote. Only in case of the death or resignation of the President of the Republic, the Congress shall elect, within 30 days, the citizen who shall complete the presidential

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[2] Corrected on the basis of comparison with the Spanish text published in *Annuario de la Legislación Peruana*, vol. 14, *Anexos*, pp. I–II.

term, the powers of government being exercised meanwhile by the Council of Ministers. Vacancies occurring in Congress shall be filled by special elections.

ARTICLE 4. The regular session of Congress shall extend over a period of not less than 90 nor more than 120 days each year. A special session of Congress may be called by the Executive whenever he deems it necessary.

ARTICLE 5. The two Houses will meet in joint session only for the purposes of opening the sessions, of ratifying international treaties, and of fulfilling the electoral functions which the Constitution assigns to Congress.

ARTICLE 6. The legislative function is incompatible with every other public employment, whether in the national or in local administration. Employees of benevolent institutions or of associations dependent in any form on the State shall be included in this disqualification.

ARTICLE 7. Diplomatic representatives shall be appointed by the Government with the approval of the Senate.

ARTICLE 8. Individual guarantees may not be suspended by any law or by any authority.

ARTICLE 9. The judicial service shall be governed by a law which establishes definite and invariable rules for promotion. Judicial appointments for the courts of first and second instance shall be ratified by the Supreme Court every five years.

ARTICLE 10. The income tax shall be progressive.

ARTICLE 11. Conflicts arising between Capital and Labor shall be submitted to compulsory arbitration.

ARTICLE 12. Congress shall not make personal grants which result in expense to the Treasury nor increase the salaries of public functionaries or employees excepting upon the initiative of the Government.

ARTICLE 13. Fiat money with legal tender character shall not be issued except in case of a national war.

ARTICLE 14. There shall be three regional legislatures, one for the north, one for the center, and one for the south of the Republic, consisting of deputies elected by the provinces at the same time as the national representatives. These legislatures shall hold each year a session for a period of 30 days during which they may not be prorogued. Their functions shall be determined by a special law. They may not occupy themselves with personal matters of any kind whatever. Their resolutions shall be transmitted to the Executive for enforcement. If the Executive considers any of them incompatible with the general laws or with the national interest he shall submit them with his comment to the Congress, which shall follow in regard to them the same procedure as with bills which have been vetoed.

ARTICLE 15. The provincial councils shall be autonomous in the conduct of the affairs with which they are intrusted. The creation of new taxes shall be subject to the approval of the Government.

ARTICLE 16. There shall be organized a Council of State composed of six members elected by the Council of Ministers with the approval of the Senate. The cases in which the Government is bound to obtain its opinion and those in which it may not act contrary to its opinion shall be defined by law.

ARTICLE 17. The Government alone may, in accordance with law, grant pensions, retirement allowances, and compensations for disability, without the Legislature having power for any reason to intervene.

ARTICLE 18. No one may receive more than one salary or emolument from the State, no matter what the employment or function which he may exercise. Salaries or emoluments payable by local institutions or by associations in any manner dependent upon the Government are included in this prohibition.

ARTICLE 19. The next Congress shall convene on September 15th of the present year, shall be presided over by the President of the Senate and shall remain in session for 30 days as a national assembly for the purpose of promulgating such reforms as are approved by the plebiscite.

Given in Government House in Lima the tenth day of the month of July nineteen hundred and nineteen."

Signed by the President and all the Cabinet.

McMILLIN

823.00/269 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 12, 1919, 9 a.m.*
[*Received 9.45 p.m.*]

Legation's confidential July 11, 11 a.m.[3] As Legation forecast President Pardo with his aide-de-camp was placed in custody of Italian Minister and Peruvian Ministers of Government and Justice and taken to the suburb Chorrillos and put on board tug boat *Hercules* 4 this morning which proceeded to Paita where the President and brother Juan will be transferred to the Peruvian vessel *Ucayali*, thence to Panama and New York City where he waits for family accompanied by brother Enrique. All will go to Paris.

McMILLIN

823.00/253 : Telegram

The Acting Secretary of State to the Consul General at Callao-Lima (Handley)

WASHINGTON, *July 12, 1919*, [*4 p.m.*]

Your July 4, 3 p.m.[4]

Department at a loss to understand how your private interview with Leguia came about. Did you call upon him? You are instructed to ascertain from American Minister the attitude of this Government toward recent events in Peru and be governed accordingly.

POLK

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[3] Not printed.

[4] *Ante*, p. 721.

823.00/270 : Telegram

The Consul General at Callao-Lima (Handley) to the Acting Secretary of State

LIMA, *July 13, 1919, 3 p.m.*
[*Received July 14, 4.06 a.m.*]

Your July 12, 4 p.m. My interview with Leguia purely accidental. I called upon an intimate friend, who is Leguia's legal adviser, regarding recent events as many conflicting reports were about. He invited me to go to the Palace with him where he would endeavor to procure definite information. After his conversation with Leguia the latter called me in as a friend. I particularly informed him my presence was not official, but purely accidental, which he understood. The Department's instructions will be strictly observed.

HANDLEY

823.00/276

The British Embassy to the Department of State

MEMORANDUM

As regards the new Government in Peru, His Majesty's Representative has been instructed to act in concert with his French, Italian and United States colleagues or with a majority of them to accord recognition which pending the completion of constitutional formalities should be *de facto* only. If other Powers accord full recognition, His Majesty's Government are prepared to consider similar action.

WASHINGTON. *July 16, 1919.*

823.00/273 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

LIMA, *July 18, 1919, noon.*
[*Received July 19, 11.15 a.m.*]

Prensa July 14 publishes the reply of Supreme Court to letter of Acting President of the Chamber of Deputies declining his request that they resume consideration of the contested election cases pending before them. July 13 is the day provided by law for the preliminary meeting of Congress to prepare for the installation [of] new Congress. The same paper contains an interview with Miro Quesada, the President of the Senate. When asked if he would issue call for the new Senate to meet July 28, replied that he had no jurisdiction in the matter; that his term as President of the Senate would cease

on that day. Commenting on the same subject, M. Balta Aanad, President of the House of Deputies, said it was clear from the time the decree calling general election was issued that the July 4 revolution had been directed against the present Congress, and as the present Government [controlled] all elements of force it was useless to assemble the Deputies for preparatory session.

Prensa today contains notes [of] diplomatic representatives of Belgium, Ecuador, Italy, and Great Britain acknowledging the receipt [of] July 5 note [from] Acting Minister for Foreign Affairs announcing Provisional Government and the Cabinet selected. Notes do not extend recognition.

McMillin

823.00/274 : Telegram

The Minister in Peru (McMillin) to the Acting Secretary of State

Lima, *July 21, 1919, 10 a.m.*
[*Received July 22, 3.27 a.m.*]

Legation's July 6th, 10 a.m., July 18th, noon; Department's July 7th, 1 p.m. Complying with instructions, I have refrained from acknowledging the note of Minister for Foreign Affairs July 5th.

British Chargé d'Affaires instructed to cooperate with the French, Italian and the United States representatives or a majority. At conference he manifested anxiety to answer note and take up urgent pending commercial negotiations with Peru which he has done. France and Italy also answered the note. Practically all representatives have now acknowledged note. A portion of them stating they have informed their Governments, but without further recognizing Provisional Government.

McMillin

823.00/284

The Peruvian Chargé (Gibson) to the Secretary of State

[Translation]

The Chargé d'Affaires of the Peruvian Embassy, *ad interim*, presents his compliments to the Secretary of State and has the honour to communicate that the Ministry of Foreign Relations of Peru has sent him the following circular-cable:—"The President Elect, Mr. Leguia, has assumed the provisional presidency of the Republic by virtue of the nation-wide movement, effected by the people and the army without bloodshed, in complete order and with the enthusiastic assent of public opinion. The deposition of presi-

dent Pardo was effected for the purpose of preventing the realization of the design, which his Government was preparing, to avoid proclaiming the president-elect and likewise owing to acts of a dictatorial nature undertaken with this object. The new Cabinet is composed as follows:—Cornejo, Interior; Osores, Justice; General Abrill, War; Idiaquez, Finance; Salvador Gutierrez, Development and the undersigned Foreign Relations and the presidency of the Council—Porras."

Carlos Gibson takes advantage of this opportunity to reiterate to the Secretary of State the assurances of his highest consideration.

WASHINGTON, *July 26, 1919.*

823.00/276

The Department of State to the British Embassy

MEMORANDUM

The Department of State has received the British Embassy's memorandum of July 16, 1919, in which, with reference to the new Government in Peru, announcement is made that the British Representative has been instructed to act in concert with his American, French and Italian colleagues, or with a majority of them, to accord recognition which pending the completion of constitutional formalities should be *de facto* only. It is added that if other Powers accord full recognition, the British Government is prepared to consider similar action.

The Department of State begs to advise the British Embassy that the Government of the United States has not as yet taken any action in regard to this matter, which, however, is receiving its attentive consideration.

WASHINGTON, *July 29, 1919.*

823.00/302

The Special Assistant (Fletcher)[5] *to the Secretary of State*

[Extract]

[WASHINGTON,] *August 1, 1919.*

DEAR MR. SECRETARY: I had a long interview with Pezet,[6] who left the accompanying memorandum.[7] The gist of his argument in favor of Leguia's recognition is:

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[5] Ambassador to Mexico, on duty in the Department of State.

[6] Federico Alfonso Pezet, in the United States on special mission. See also telegram of July 5 from the Consul General at Callao-Lima, p. 722.

[7] Not printed.

First: That he was really elected by the people at the recent elections.

Second: That the Pardo Government was about to declare the election indecisive and throw it into the Congress, which might, and probably would, have chosen some one else.

Third: That the Leguia coup prevented civil war, which would have resulted had the Pardo Government attempted to carry out its plans.

Fourth: That the change has been made without bloodshed, and that the new regime is generally accepted by the people.

Fifth: That Leguia, as Provisional President, has called elections for a new Congress to assemble on September fifteenth, which will act as a Constitutional Assembly for thirty days to consider and pass upon the changes which he proposes to make in the Constitution, and which have already been submitted to the people to be voted upon.

Sixth: These proposed changes are found in Exhibit One[8] of the memorandum attached, and seem to be sound and benencial.

. . . . . .

HENRY P. FLETCHER

823.00/287 : Telegram

The Secretary of State to the Minister in Peru (McMillin)

WASHINGTON, *August 5, 1919, 5 p.m.*

Strictly confidential. In your opinion is will of majority of people of Peru expressed in support of action of Leguia in overthrowing Pardo and calling for new elections. Give Department available figures for Leguia and figures for Government candidate in recent election.

Have you discovered any tangible proofs of plot to defraud Leguia. Cable reply.

LANSING

823.00/291 : Telegram

The Minister in Peru (McMillin) to the Secretary of State

LIMA, *August 9, 1919, 9 a.m.*
[*Received August 10, 12.50 a.m.*]

Strictly confidential. Department's August 5, 5 p.m.

1. My opinion expressed in Legation's 366, July 14:[9]

"Leguia unquestionably has now and had at the time of elections a strong popular following. Whether this was sufficient to elect I do not know. He had absolute control over army. I am therefore

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[8] Decree of July 10; for text, see telegram of July 11 from the Minister in Peru, p. 726.

[9] Not printed.

of the opinion that he will be able to overcome any and all opposition that may arise against his rule for the present and near future. The same forces that aided him in taking the Government from Pardo will enable him to hold it, at least for the present now that Pardo is out of power and out of the Republic."

Allied Ministers seem to be of this opinion. I believe that a majority of the people have acquiesced in overthrow [of] Pardo Government but not in calling new congressional elections. They do not see how same elective procedure could be regular as to the President of the Republic and irregular as to the Senators and Deputies when all were conducted at the same time and place and by same officers.

2. Impossible to obtain the exact figures of result of elections. The following data is the most accurate that the Legation [could obtain]. The officials of election board of Province of Lima returned 10,878 votes for Leguia and 3,185 for Aspillaga.[10] Election board for Callao, 1,979 votes for Leguia and 330 for Aspillaga (see despatch No. 352 May 31 [11]). After a careful search the following figures were obtained from the adherents of the respective candidates: twenty provinces, not including Lima and Callao, gave Aspillaga 93,800; twenty-eight towns and cities, not including Lima and Callao, gave Leguia 52,050. The returns for Leguia do not include cities in certain of his strongholds of the southern provinces. He claims to have received over 200,000 votes. Except for Lima and Callao the figures are merely claims on the part of adherents. In many of the provinces there were contests, both sides claiming victory and sending to the Supreme Court having jurisdiction of the matter their respective contentions. The Supreme Court was engaged in deciding these contests but had not completed them at the time of the revolution, hence impossibility of giving complete and reliable figures. Elections generally passed off without disturbances.

3. All tangible evidence has been forwarded to the Department in Legation's telegrams [omission] and despatches 366, July 14,[11] and 371, July 30.[11] The copies of the telegrams and letters brought to the attention of the Legation do not amount to proof but is evidence tending to show that efforts were being made to secure election of Government candidates. As to the attitude of the Government on the eve of elections, see Legation's despatch No. 352, May 31, pages 3 and 4.[11]

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McMillin

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[10] Antero Aspíllaga.

[11] Not printed.

823.032/25 : Telegram

The Minister in Peru (McMillin) to the Secretary of State

LIMA, *August 15, 1919, 2 p.m.*
[*Received August 16, 8.10 p.m.*]

The elections for Congress and plebiscite vote for amendments of the Constitution called for August 17th and 18th have been postponed, by decree of Cabinet, to the 24th and 25th of August. National Assembly to be installed September 24th. The elections and plebiscite to be held September 14th and 15th in the Departments of Loreto, San Martin and Madre de Dios as decreed August 2nd shall remain in force.

The reason given is that there was not sufficient time to transmit to all districts the appointment of the taxpayer who is to form part of the ballot boards and to assure the polling of the votes of the greatest possible number of citizens.

MCMILLIN

823.00/297 : Telegram

The Minister in Peru (McMillin) to the Secretary of State

LIMA, *August 26, 1919, 8 p.m.*
[*Received August 27, 4.43 a.m.*]

Elections held Peruvian Republic Monday for Senators, Deputies and Constitutional amendments passed off quietly. Result from interior not yet received. A very light vote polled but Government candidates elected placing the present Government in absolute control of situation. The vote is to be held later in three remote provinces which will not change the result.

MCMILLIN

823.00/297 : Telegram

The Secretary of State to the Minister in Peru (McMillin)

WASHINGTON, *August 28, 1919, 4 p.m.*

In view of the facts reported in your August 26th, 8 p.m., you are instructed to address an informal communication to the Minister of Foreign Affairs of the Leguia government informing him that the Government of the United States extends to Mr. Leguia recognition as the head of the *de facto* Government of Peru.

LANSING

823.00/311a

The Secretary of State to the Peruvian Chargé (Gibson)

WASHINGTON, *September 4, 1919.*

SIR: I have the honor to inform you that the Government of the United States has recognized Señor Leguia as head of the *de facto* Government of Peru.

Accept [etc.]

For the Secretary of State:
ALVEY A. ADEE

823.00/311

The Minister in Peru (McMillin) to the Secretary of State

No. 380 LIMA, *September 5, 1919.*
[*Received September 24.*]

SIR: Referring to Department's telegram of August 28, 4 p.m., concerning the recognition of Augusto B. Leguia as head of the *de facto* Government, I have the honor to report:

That pending the question of recognition, as reported by me from time to time by cable and despatch, all the Governments represented here were anxious concerning the attitude of the United States, and the time when our Government would recognize President Leguia. Several of them had requested that I notify them when I received instructions to recognize in one form or other the existing Government. The spirit manifested by several of the Governments was such that I felt that this was not an unreasonable request. Therefore, when the above referred to telegram concerning recognition was received, I made known to the representatives of other Governments the action that our Government proposed to take, and wrote a note to the Minister for Foreign Affairs, extending the recognition that I was authorized to make. I delivered this note in person.

The Minister for Foreign Affairs greeted me cordially and expressed a wish for continuance of the friendly relations that have so long existed between Peru and the United States. Two days afterward, he and the Assistant Minister, Mr. Elguera, called on me at the Legation and exhibited every manifestation of cordiality.

I called on President Leguia who was exceedingly cordial and expressed the hope that [the] great development which is inevitable in Peru will be participated in by capitalists of the United States. He is credited with being friendly with all foreigners in Peru, and of being very friendly to foreign enterprises and the introduction of foreign capital.

It is due to say that President Leguia is most cordially greeted and applauded wherever he goes, whether in discharge of public or private functions.

The French Government has recognized the Government and Leguia as President; the English Legation has recognized the *de facto* Government and Leguia as Provisional President since our recognition was extended.

I send herewith clippings from the Lima press, together with translations, giving an account of this action.[12] *El Tiempo* had a well timed and thoughtfully prepared comment on the recognition of the United States, in which it justified the delay of our Government in the matter of recognition. I send other clippings and translations herewith that the Department may see what the drift of comment and action has been.

As informed by Legation's telegram,[12] Senor Pizarro [13] resigned the portfolio of Minister of War, and Colonel Gerardo Alvarez has been appointed Minister of War and Navy. The resignation of General Pizarro was on account of his election to senatorship and the inhibition to hold two offices, under the newly amended Constitution. I am enclosing clippings from *La Prensa* of September 2, together with translation, concerning this change.[12]

I am [etc.] BENTON MCMILLIN

823.00/300 : Telegram

The Chargé in Peru (Smith) to the Secretary of State

LIMA, *September 6, 1919, 2 p.m.*
[*Received September 7, 7.44 a.m.*]

During the last few days Belgium, Bolivia, Ecuador, France and Italy have recognized the Peruvian Government. Uruguay and England have recognized the *de facto* Government.

SMITH

823.00/302½ : Telegram

The Chargé in Peru (Smith) to the Secretary of State

LIMA, *September 11, 1919, 8 a.m.*
[*Received September 12, 12.10 a.m.*]

Late at night Tuesday Provisional Government felt obliged to take drastic measures against proposed plot to assassinate the Provisional President, claimed to have been known by the Government for some time. The measures taken were the arrest and imprisonment of a number of the adherents of the Pardistos including Luis Pardo, brother of ex-President; Ramon Aspillaga, brother of former

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[12] Not printed. [13] José R. Pizarro.

candidate for the Presidency; Felipe Barreda, cousin and Carlos Heeren, brother-in-law of the ex-President; also four army officers and a number of others. The Government claims to have done this in order to nip the conspiracy in the bud to prevent disorder and bloodshed.

Commencing early Wednesday morning there were large crowds of Leguia's adherents marching through the streets condemning plotters and approving Leguia. During the evening the mob increased and became more violent. About seven o'clock it attacked homes of Antonio Miro Quesada, editor *Comercio* and former President of the Senate; Augusto Durand, owner of *Prensa;* Antero Aspillaga, candidate for President, doing great damage to furniture and in the case of Miro Quesada burning the house almost to the ground. After venting their spite on these they marched to the newspaper *Prensa* breaking in doors, doing great damage to machinery, so much so that paper will not be able to appear for some time. From there they went to *Comercio* where they did damage to outside of building but only slightly smashing up some of the machinery. The paper was able to issue a small edition this morning.

All these acts apparently were a protest against the attempt to overthrow the present administration. Every one including the President regrets the incident as they realize it will injure the reputation of Peru before the world.

SMITH

823.00/313 : Telegram

The Chargé in Peru (Smith) to the Secretary of State

LIMA, *September 27, 1919, 9 p.m.*
[*Received September 29, 10.10 a.m.*]

On account of the uncertainty of political conditions inauguration of Leguia as Constitutional President which was to have taken place 28 postponed until October 3.

SMITH

823.00/328

The Chargé in Peru (Smith) to the Secretary of State

[Extract]

No. 400 LIMA, *October 4, 1919.*
Confidential [*Received October 20.*]

. . . . . .

In the presence of the diplomatic corps and a large concourse of people President Leguia read the opening address at the installation of Congress which took place September 24. Senor Leguia was

given a great ovation upon entering the Chamber which appeared to be sincere and spontaneous.

The first enactment of Congress was to pass a law ratifying all the acts of the Provisional Government.

Yesterday Congress approved the nineteen amendments voted upon and decided that the constitutional term of office of the President and members of Congress shall be five years, beginning October 12, 1919. The President, therefore, will probably be inaugurated Sunday, October 12.

Although the political conditions are much disturbed and political animosity among the party factions is running very high, I believe that, if the army remains loyal to Leguia, he will be able to maintain the Presidency. . . .

. . . . . .

I am [etc.] WM. WALKER SMITH

823.00/320 : Telegram

The Chargé in Peru (Smith) to the Secretary of State

LIMA, *October 4, 1919, 11 a.m.*

[*Received October 5, 9.40 a.m.*]

Inauguration of Provisional President as Constitutional President again postponed until October 12. The whole Diplomatic Corps will be invited to attend the inauguration and reception by the President. Shall I attend, thus recognizing Leguia as Constitutional President? Please instruct immediately.

SMITH

823.00/320 : Telegram

The Secretary of State to the Chargé in Peru (Smith)

WASHINGTON, *October 7, 1919, 5 p.m.*

Your October 4, 11 a.m.

You may attend inauguration. It should be clearly understood, however, both by you and by the Leguia Government that your attendance does not constitute recognition of Leguia as Constitutional President and does not commit this Government to such recognition.

You are directed to continue to address the Leguia Government as the *de facto* government until you receive definite instructions from the Department to do otherwise.

LANSING

823.00/326 : Telegram

The Chargé in Peru (Smith) to the Secretary of State

LIMA, *October 14, 1919, 10 a.m.*
[*Received 7.40 p.m.*]

President inaugurated October 12th without incident. He held reception 13th. No changes as yet in Cabinet except Minister of Marine recently created by law.

No newspapers except sheet bulletin foreign news. Strikes apparently ended owing to Government decree issued Saturday compelling arbitration.

SMITH

823.00/333

The Chargé in Peru (Smith) to the Secretary of State

No. 408 LIMA, *October 15, 1919.*
[*Received November 11.*]

SIR: Referring to Department's telegram of October 7, 5 p.m., and Legation's October 14, 10 a.m., I have the honor to inform you that I informally communicated to the Minister for Foreign Affairs the attitude that I was instructed to take should I attend the inauguration of the President.

Together with the Military Attaché of this Legation I attended the inauguration of the Provisional President on Sunday October 12th, on which occasion he took the oath as Constitutional President.

I have received today a communication from the Foreign Office, a translation of which is enclosed.

I am [etc.] WM. WALKER SMITH

[Enclosure—Translation]

The Peruvian Minister of Foreign Affairs (Porras) to the American Chargé (Smith)

No 39 LIMA, *October 13, 1919.*

MR. CHARGÉ D'AFFAIRES: I have the honor to inform Your Excellency that yesterday Señor Augusto B. Leguía took the Constitutional oath to exercise the duties of President of the Republic, which duties he had been discharging since July 4th last.

The Council of Ministers which has acted with Señor Leguía will continue its functions, having added as Minister of Marine, Captain don Juán Manuel Ontaneda.

In communicating the above facts to Your Excellency, I am pleased to state that my Government is pursuing its avowed intention of strengthening the friendly relations which exist between our two countries.

I avail myself [etc.] M. F. PORRAS

BOUNDARY DISPUTE WITH COLOMBIA

(See volume I, pages 80 ff.)

THE TACNA–ARICA QUESTION

(See volume I, pages 123 ff.)

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

POLAND

RECOGNITION BY THE UNITED STATES OF THE POLISH PROVISIONAL GOVERNMENT, JANUARY 22, 1919—EXCHANGE OF MINISTERS

860c.01/206 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *January 22, 1919, 7 p.m.*
[*Received January 23, 3.46 a.m.*]

395. Acting under direction from the President, I have sent the following telegram to Mr. Paderewski which gives full recognition to the Provisional Polish Government. In view of the necessity of immediate action I did not send the communication through the Department as I would normally do.

Following is the message:

"The President of the United States directs me to extend to you as Prime Minister and Secretary for Foreign Affairs of the Provisional Polish Government his sincere wishes for your success in the high office which you have assumed and his earnest hope that the Government of which you are a part will bring prosperity to the Republic of Poland.

It is my privilege to extend to you at this time my personal greetings and officially to assure you that it will [be] a source of gratification to enter into official relations with you at the earliest opportunity. To render to your country such aid as is possible at this time as it enters upon a new cycle of independent life, will be in full accord with that spirit of friendliness which has in the past animated the American people in their relations with your countrymen."

Lansing
AM[ERICAN] MISSION

123H21/6 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

[Extract]

PARIS, *April 15, 1919, 9 p.m.*
[*Received April 16, 5.50 a.m.*]

1626. The President has made the following recess appointments as Ministers: . . . Hugh Gibson to Poland . . . Gibson has accepted.[1]

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[1] His commission was issued Apr. 16.

I took the liberty of asking Paderewski if Gibson would be acceptable and he said that he would. . . .

. . . . . .

Lansing
AM[ERICAN] MISSION

123G35/139

The Minister in Poland (Gibson) to the Acting Secretary of State

No. 1 WARSAW, *May 2, 1919.*
[*Received May 26.*]

SIR: In confirmation of my telegram No. 3 [*6*] of May 2nd,[2] I have the honor to report that I have today delivered to General Pilsudski, Chief of the Polish State, my letters of credence as American Minister to Poland.

I have the honor to transmit herewith enclosed for the information of the Department a copy of the remarks I made on that occasion (enclosure No. 1), together with copy and translation of General Pilsudski's reply. . . .

The ceremonies on this occasion were very simple. General de Yatzyna, Superintendent of the Military Schools, called for me with an aide shortly before four o'clock with three open carriages and two squadrons of lancers, for the drive to the Belvedere Palace at the other end of the city, the old country home of the Kings of Poland. The guard of honor was drawn up in the court yard as we drove in and the military band played the American National Anthem. The *Chef de Protocole*, Count Przyzdziecki and several aides in full uniform led the way to the room where I was to be received. The Vice Minister for Foreign Affairs, M. Wróblewski, met me at the door and escorted me to the other end of the room where he presented me to the Chief of State who was waiting with his staff and the members of the cabinet. After I had read my speech and General Pilsudski had replied, I presented to him the members of my staff and he in turn presented me to the cabinet.

General Pilsudski then asked me to be seated, and we talked for about twenty minutes, after which we took our leave and returned to our hotel. As we came out of the palace the band played the Polish National Anthem.

I have [etc.] HUGH GIBSON

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[2] Not printed.

[Enclosure 1]

Remarks of the American Minister (Gibson) on the Occasion of His Reception by the Chief of the Polish State (Pilsudski), May 2, 1919

I have the honor to place in Your Excellency's hands the letters accrediting me as Envoy Extraordinary and Minister Plenipotentiary of the United States of America near Your Excellency's Government.

I esteem it a high honor to have been chosen by the President of the United States as the first American Minister to Poland. My satisfaction will be complete if I can contribute in some measure to the welfare of the Polish Nation and can faithfully interpret the friendship of the American people. This friendship, deeply rooted and sincere, dates from the time of Kosciuszko and Pulaski whom we claim a right to share with you as national heroes. Devotion to the Polish cause could not but be strong in a country where today four million Poles rejoice that the mother land has been restored through the force of her constancy and courage.

Even before America assumed the responsibility of participation in the world war, our President voiced the views of the whole American people in stating that no peace could last or ought to last which did not provide for a united, independent Poland. The reconstitution of your country therefore represents to the people of the United States a logical expression of the idea on which their own national life is founded. It represents a break with the past and the entrance into a new and we hope a more stable world order. There is no lover of freedom, no man of vision who is not filled with content at this great triumph of national faith and of justice as between peoples. It gives us all fresh courage for the trials of the future.

For only a misguided patriot and a poor friend could fail to see the problems still to be met and the obstacles still to be overcome; first and foremost, the task of consolidating the Polish state, through the unselfish assistance of the whole population, without regard to former political or social differences; then, there is the work of repairing the ravages of war and restoring normal life so that all may enjoy their share of material happiness. In these things my countrymen hope that they may be privileged to help. Whatever they can do will be done gladly as a humble tribute to a people which has suffered gloriously and has its place secure in our affections.

The future we can face with confidence. For Poland's present problems are but temporary and Poland's friends have faith that a

people which has been so tenacious in their struggle for freedom will be equal to the trials and ordeals of the new order where Poland shall take her place as a great, peace-loving and happy nation.

[Enclosure 2—Translation]

Reply of the Chief of the Polish State (Pilsudski) to the Remarks of the American Minister (Gibson) on the Occasion of His Reception, May 2, 1919

Mr. Minister: In delivering to me the letters by which President Wilson has accredited you near the Polish Government as Envoy Extraordinary and Minister Plenipotentiary, you have been good enough to use words at the same time cordial and forceful to express on the one hand the friendly sentiment of sympathy of the United States for Poland and your personal feelings as well, and on the other hand to make clear the means by which you hope to accomplish the task which has been confided to you near the Polish Government.

I thank you sincerely, Mr. Minister. Permit me to say that in describing your mission so clearly and in so lofty a manner my fullest support is assured to you from this time on.

This great day where we are permitted to greet the first envoy of the United States reminds us of all that Poland, now born anew, owes to your country.

Our thoughts turn first to your illustrious President, that great statesman admired by all Poles, who was the first to proclaim to all the world the right of a united Poland to an independent and sovereign existence. We think with gratitude of the noble and victorious Republic of the United States, always ready to serve humanity in its difficulties for new and more equitable forms of international life and of that hospitable country of America which has become a second mother land for thousands of our children.

Your words, Mr. Minister, are at the same time a precious pledge of the support and assistance which the great American Republic will certainly not fail to give us freely in our efforts to consolidate the new Polish State. We are fully aware of the grandeur and at the same time of the difficulty of this task. We assume it, nevertheless, with confidence, firmly resolved that Poland shall resume in the family of nations its rightful place,—a Poland happy and peaceful governed in the memorable words of Lincoln "by the people and for the people". Conscious of the bonds of friendship uniting us to America, I myself, the Government and the whole of Poland will work to draw even closer these bonds already so ancient,

and we are glad that in the accomplishment of this task we can count upon the help of a diplomat who has already distinguished himself so brilliantly.

Welcome among us!

701.60c11/19

The Chief of the Polish State (Pilsudski) to President Wilson[3]

GREAT AND GOOD FRIEND: Being desirous to strengthen and promote to the fullest extent the cordial relations, which so happily exist between Poland and the United States of America, I have made choice of Prince Casimir Lubomirski, one of our distinguished citizens, to reside near the Government of the United States of America in the quality of Envoy Extraordinary and Minister Plenipotentiary of Poland.

My knowledge of his character and his friendship for the United States assures me that he will discharge the duties of his mission in a manner perfectly agreeable to Your Excellency.

I therefore request Your Excellency to receive him favorably and to give full faith and credence to what he shall say on the part of the State of Poland, more especially to the assurance which I have instructed him to convey to You of my best wishes for Your Excellency's welfare and the prosperity of the United States.

Made in Warsaw on the 18 day of August 1919.

J. PILSUDSKI

701.60c11/18b

The Acting Secretary of State to the Polish Appointed Minister (Lubomirski)

WASHINGTON, *November 1, 1919.*

SIR: Referring to your call of this morning when you presented to me your letters of credence as Envoy Extraordinary and Minister Plenipotentiary of the Polish Republic near this Government, I have the honor to advise you that you will be recognized as Appointed Minister of Poland as of date of November 1, 1919, and until such time as the President may be able to receive you in formal audience.[4]

Accept [etc.] WILLIAM PHILLIPS

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[3] Copy of letter of credence delivered by the Polish Appointed Minister to the Acting Secretary of State, Nov. 1, 1919.

[4] The Minister was received by the President, May 15, 1920.

TREATMENT OF JEWS IN POLAND

Reports of Pogroms in December, 1918; Representations of the American Government to the Polish National Committee—Agitation in the United States, April–June, 1919, Concerning Reported Outrages—Reports by the American Minister of Investigations under His Direction—Appointment of a Special Investigating Commission; Report of the Commission

860c.4016/12a : Telegram

The Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *December 2, 1918.*

6492. For Polish National Committee. Department of State has received information through various sources of pogroms conducted against Jews in Poland. If these reports are true the sympathy of the American people for Polish aspirations will undoubtedly be affected.

LANSING

860c.4016/15a : Telegram

The Acting Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *December 4, 1918, 5 p.m.*

6516. Department's 6492, December 2.

Subsequent information tends to indicate that pogroms against the Jewish population in Poland are on the increase and that the situation has become alarming. Great publicity has been given in this country to these reports and inquiries are being received by the Department from various parts of the country. You may take up the matter again with the Polish National Committee and cable Dept. reply.

POLK

860c.4016/14 : Telegram

The Ambassador in France (Sharp) to the Acting Secretary of State

PARIS, *December 6, 1918, 11 p.m.*
[*Received December 7, 9.46 a.m.*]

6157. Departments number 6316 [*6516*], December 4th. This morning by appointment I met Mr. Dmowski, head of the local Polish National Committee, and during our conversation, called his attention to conditions existing in Poland as reported in De-

partments telegram. Mr. Dmowski said that while he believed reports of the massacre of Jews in Poland were very greatly exaggerated, yet conditions there were such as to render the Polish people themselves not only quite blameless for such crimes, but also to a large extent helpless to prevent them. He said that the country has been for some time on the verge of anarchy, due to returning German prisoners crossing Poland from Russia and likewise Russian prisoners returning across Poland to Russia. Accounts coming to him tell of pillaging and murdering by these uncontrolled forces. Against them, to preserve order, there are less than 20,000 Polish troops. What is needed most is an established authoritative Government in Poland.

He also assigned as one of the causes of the disturbances, the scarcity of food products and the hoarding of same for a rise in prices. Against this practice people revolt and in some instances proprietors of stores have been killed after stores have been plundered. Some of these proprietors were undoubtedly of Jewish origin, but that fact was not the cause of their attack. He cited the case of a pogrom at Lemberg, in which a desperate fight followed between Ukrainians and Poles. At one time when the Ukrainians had won the upper hand, they liberated all the prisoners confined for various crimes. These were set loose on the city and a state of terror reigned until the Poles drove out the Ukrainians. Following this 1500 who had engaged in the riots were arrested and imprisoned by the Poles and 60 were executed. Of those arrested for taking part in the massacre, it is said that 60 per cent were Lithuanian, 30 per cent Poles and 10 per cent Jews. The complaints had just come to Mr. Dmowski. Another reason assigned for the disturbances throughout Poland was that Bolshevik revolutionaries had come over from Russia to incite similar disorder in Poland. Many of these were Jews. He stated that inasmuch as the Socialists were at the head of the Polish Government as now constituted, there could be little truth in the claim that the massacre of Jews was either authorized or connived at by the Government, as the Socialists had never been anti-Semitic. Mr. Dmowski told me in conclusion, that it [*there?*] was a statement, based on reports, which he had received from Poland, which would show that the stories, which he ascribed to organized propaganda of the Jews in Poland and Russia, had little foundation in truth. This statement he promised me within the next few days.

SHARP

860c.4016/16 : Telegram

The Minister in Switzerland (Stovall) to the Acting Secretary of State

BERNE, *December 10, 1918, 2 p.m.*
[*Received December 12, 4.19 a.m.*]

Have received communication from Polish Chargé d'Affaires in Berne stating that his Government has learned that certain Jewish organizations have requested the associated governments to send a mission into Poland for purpose of investigating the alleged programs [*pogroms*] and adding that the Polish Government hastened to state that in case one or more of the Associated Governments are contemplating sending a mission of this sort, or for any other reason, into Poland the Government would be the first to be gratified by this step and to accord to such mission all possible facilities.

Respectfully suggest that fears of Jews in the United States regarding alleged programs [*pogroms*] might be allayed by publication of this statement. This repeated to Paris.

STOVALL

860c.4016/42a : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)[5]

WASHINGTON, *April 25, 1919, 2 p.m.*

Certain Jews have furnished Department with report that at Pinsk on April 5th Jews were massacred by Poles while passover bread was being distributed. Another report received by Department states persons killed were Bolshevists attempting to start insurrection. Upon arrival Poland investigate very carefully truth of matter and report promptly to Department.

PHILLIPS

860c.4016/49 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[6]

WARSAW, *undated.*
[*Received May 17, 1919, 4.23 p.m.*]

9. Department's 1797 [*1727*] April 25, 2 p.m., received May 3, both reports referred to in Department's telegram inaccurate. Committee composed of both Poles and Jews appointed by Polish Diet has

[5] Sent via the Commission to Negotiate Peace as No. 1727.
[6] Forwarded by the Commission to Negotiate Peace as No. 2143.

just returned from making investigation on the ground. Some 400 pages of testimony taken and now being digested. I am promised full reply as soon as it is ready and shall report further.

GIBSON

860c.4016/49 : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *May 21, 1919, 6 p.m.*

9. Your No. 9 undated. Department much concerned this matter which is being widely discussed in American newspapers. Conflicting statements being constantly issued by Poles and Jews. Important Department know real truth earliest possible moment. Cable synopsis testimony to Department promptly as possible.

POLK

860c.4016/49 : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *May 23, 1919, 4 p.m.*

12. Referring to Department's No. 9, May 21. Fifteen thousand Jews held meeting May 21, Madison Square Garden, New York City, to protest against atrocities charged to have been perpetrated against Jews in Poland, Galicia, Lithuania and other countries in Eastern Europe. Charles E. Hughes spoke and stated in part: "If America stands for anything in her service to humanity, then let America speak. America owes it to herself that at this time her people with one accord and because they are Americans should unite in this effective protest. These sad reports of Jewish massacres are well authenticated and must be accepted, and therefore I say if we mean aught when we talk of liberty and of the cause for which we have been fighting if in all these days we have not simply been mouthing words, if America stands for anything in her service to humanity, then now let America speak."

Question will undoubtedly continue to be violently agitated this country and in all probability will be discussed in Congress. It is very essential that you keep Department very fully and promptly informed exact truth treatment Jews by Poles including question of religious toleration and also attitude Jews towards Poles.

The newspapers are carrying special reports of a Jewish massacre at Vilna.

POLK

860c.4016/56a : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *May 28, 1919, 6 p.m.*

17. Department's No. 9 May 21, No. 12 May 23, and No. 14 May 24.[7] American newspapers are publishing long articles giving dates and places where Jews are reported to have been massacred or otherwise mistreated. Congressman Siegel has personally furnished Department with another such list. Agitation this matter continues and Department must know whole truth situation at once. You are requested to give investigation treatment Jews by Poles and attitude Jews towards Poles precedence over other matters in order to furnish Department complete report without delay.

POLK

860c.4016/57 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[8]

WARSAW, *May 30, 1919, 9 p.m.*
[*Received June 2, 3.40 a.m.*]

35. Department's 12, May 23rd, 4 p.m.

1. I have received no reports of atrocities perpetrated against Jews in Poland, Galicia, Lithuania with the exception of the Pinsk and Vilna affairs to which I shall make further reference. My sources of information are the following:

(*a*) The local press including Jewish papers.
(*b*) The American Relief Administration which has representatives covering all the districts in Poland.
(*c*) The American Red Cross with field headquarters Bialystok and units operating in Lithuania and eastern Poland.
(*d*) The American Jewish Joint Distribution Committee whose representatives travel throughout countries and which through local organization is kept informed of Jewish needs and developments particularly in those districts (where?) Jewish population is most numerous.
(*e*) Other Allied missions who likewise have traveling or resident representatives in all districts.
(*f*) Jewish delegations and representatives of Jewish organizations who are aware of the fact that I am accessible have availed themselves of the opportunity to talk frankly with me concerning the situation of the Jews in Poland.
(*g*) Miscellaneous sources of information among them the military attaché and Lieutenant Foster who have just returned from a trip to eastern Galicia.

2. There is bitter feeling against classes of Jews which arises largely from economic causes and not from religious intolerance.

[7] No. 14 not printed.
[8] Forwarded by the Commission to Negotiate Peace as No. 2382.

This gives rise to a considerable amount of petty persecution which cannot be prevented or readily controlled by Governmental action.

3. Certain elements of the Jews support the Government and are respected as an integral part of Polish nation. Another large element of the Jews are outspokenly and avowedly hostile to the Government and this attitude has served to intensify bad feeling.

4. Vilna was captured after house to house fighting on April 20th, and a certain number of the local population were thus killed. In this fighting 35 casualties are reported of Polish forces and 38 civilians were killed. Known and suspected Communists in the town were deported as hostages against Polish citizens deported by the Bolsheviki. A commission has been investigating these cases and those found to be reputable persons are being promptly returned to Vilna. Colonel Godson, military attaché at Berne, Lieutenant Dewald, his assistant and an American newspaper correspondent Cameron Mackenzie were in Vilna on May 5th and made an investigation of the situation talking with Jews and others. Since that date representatives of the Relief Administration, Lieutenant Colonel Dawley of the General Staff attached to the mission in Lithuania and a representative of the Jewish Joint Distribution Committee have been in Vilna and they are unanimous in reporting that there was no Jewish massacre in that city. This is confirmed by the statements in the Jewish press in Warsaw.

5. A report of the Pinsk affair by Lieutenant Foster who was representing the Peace Commission in Poland at the time and who acted as member of the Inter-Allied Mission which proceeded immediately to that city to investigate is being transmitted as a separate telegram.

6. I should be glad to receive for my information and guidance the "well authenticated reports" Jewish massacres referred to by Mr. Hughes.

7. I am preparing a full report along the lines desired by Department. It will be sent as soon as possible.

[GIBSON]

860c.4016/59 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[9]

WARSAW, *May 30, 1919, 11 p.m.*
[*Received June 1, 1.12 a.m.*]

36. Department's 17, May 28, 6 p. m., received this evening.

Since my arrival in Poland I have endeavored to inform myself fully as to the treatment of Jews but possess no evidence which

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[9] Forwarded by the Commission to Negotiate Peace as No. 2381.

would warrant charges referred to in Department's telegram or afford me any data to start specific investigations, therefore I should be glad to have Department furnish me a definite list of places where these events occurred, a statement of the charges made, the events in each place and if possible names of victims and of possible witnesses. If Department approves, I am then prepared to ask Doctor Bogen, director of the Jewish Joint Distribution Committee for Poland, and Lieutenant Colonel Bailey of the Red Cross to accompany me and make careful personal investigation in the various places. See my number 35.

[GIBSON]

860c.4016/61 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [10]

WARSAW, *May 31, 1919, 8 p.m.*
[*Received June 1, 2.11 a.m.*]

38. Have had long frank talk with Chief of State regarding Jewish situation in general and situation at Chenstokhov in particular.

1. He states that he has given positive instruction for the maintenance of order and protection of the Jews at Chenstokhov.

2. That he is issuing peremptory orders to the Polish Army stating that he will not tolerate anti-Jewish acts; that punishment will be severe and that the officers will be made responsible for the behavior of their men.

[3.] The Minister of the Interior has been in Chenstokhov to investigate and with a free hand to take such steps as may be necessary. He is expected back tonight and his report is promised me without delay. General Pilsudski was evidently alarmed and indignant. He said that [to persecute] the Jews brought shame upon the name of Poland and could not but harm the country, that no matter what might be said these millions of Jews are in Poland; they are not going to leave Poland and the Poles have got to live in close contact with them. "The Government as well as all good Poles are strongly opposed to any persecution for we know that we cannot settle down to peaceful development while there is discord among elements of our own population. For the good of the country the Government is determined to put down any anti-Jewish activities with an iron hand."

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[10] Forwarded by the Commission to Negotiate Peace as No. 2383.

Confidential. He told me that until the last few days he had felt that anti-Jewish persecution pretty well at an end but that the troops newly arrived from France had shown a disposition to make life miserable for the Jews, chasing them through the streets, cutting off their beards et cetera. That this was causing a recrudescence of such acts by the civil population and this is confirmed by statements made to me this afternoon by reliable American–Jewish informant before I saw General Pilsudski.

[GIBSON]

860c.4016/62 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[11]

WARSAW, *May 31, 1919, midnight.*
[*Received June 2, 9.27 a.m.*]

40. Department's 1797 [*1727*], April 25, 2 p.m. to Mission. Following is report of Lieutenant Foster referred to in my 35, May 30, 10 [*9*] p.m.

"The circumstances leading up to the shooting of 33 Jews in Pinsk on April 5th are as follows: A meeting of the Zionist Branch of the Cooperative Societies of Pinsk was held in the Zionist reading rooms on the afternoon of April 5th. The Polish Military authorities had given permission for the holding of this meeting the purpose of which had been stated to be for the election of delegates to the General Cooperative Society which was to meet on April 7th [*5th*]. It often stated in notices posted about Pinsk that meetings unsustained [*unauthorized*] by the military authorities were prohibited. This meeting was brought to close without result as an element of young Jews present created such a disturbance that progress was impossible. After the close of the meeting most of the senior members left but the younger element remained behind [even in view of the military order prohibiting gatherings.] Waiting in another small room were several men and women preparing lists of the poor and needy of the town for transmission to the American Jewish Relief Committee. About half an hour after the official closing of the cooperative meeting Polish soldiers surrounded and entered the building causing tremendous excitement and confusion. Those present were seen to hastily tear up papers taken from their pockets and to remove red bows from the [lapels] of their coats. Others tried to escape from the windows and two of these were [shot] by soldiers [guarding] the outside of the building. In all about 3700 [*100*] people were [marched off] by the ten Polish soldiers who, on account of their small number, were unable to search their [clothing] or prevent them from tearing up papers that they were still taking from their pockets and stamping into the mud.

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[11] Forwarded by the Commission to Negotiate Peace as No. 2376.

The Polish Major, commanding the district of Pinsk, had only 30 men in the town garrison. The balance of his small force was being employed in an attempt to meet a counter-attack of the Bolshevik forces which had Pinsk practically surrounded at that time. This attack had been going badly for the Poles much earlier and the reports circulating about town had brought out an arrogant hostile attitude on the part of the younger Jews. His only reenforcements could come from Brest Litovsk, hundred miles to the rear, over lines of communication that have been frequently attacked during the past week. His telephone lines were cut practically every night. Light signals from Pinsk to the Bolshevik lines, to the town. Two Jewish soldiers in the Polish garrison, Pinsk, were approached in the synagogue to join the Bolshevik army and told to come to the Zionist reading rooms on the afternoon of April 5th where a meeting was to be held at which would be leaders who could enroll them. These soldiers informed the Polish authorities and it was as a result of this information that a detachment was sent at the appointed time to search the building with the result as outlined above.

Faced with these circumstances and realizing his inability, with only 30 men, to protect the rear of his fighting lines from a revolt in the town, the Polish commander determined upon summary action, whereupon the prisoners were marched to the market place. The old men, the women, and children 17 years of age, were picked out. The balance were searched and questioned and those were taken out who could show a cooperative membership card, who were known to the authorities to be reputable citizens and the rest, 35 in number, were lined up before a wall and shot. It is my opinion and the opinion of the British and French officers who accompanied me that this shooting cannot be considered in any way as pogrom or anti-Jewish aspect [*massacre*]. Our conversations with the representative Jews of Pinsk brought out the fact that there existed in Pinsk a disturbing element of younger Jews radical in sentiment who opposed all efforts Jewish [or otherwise] to better conditions in the town and it was this element that created the difficulties at the meeting of the Cooperative Society on April 5th. A Bolshevik prisoner taken in the front lines early on the morning of April 6th asked regarding the progress of this uprising at Pinsk. We picked up ourselves from the torn bits of paper on the floor of the Zionist reading room several little red paper bows and in a hole in the wall found the paper from which these were made. Jewish witnesses testified to the knowledge of such red bows as a Bolshevik sign.

I may add that the Polish military authorities welcomed our investigation, placed existing facilities at our disposal and interfered in no way with our examination of witnesses by only the English officer and myself. There was no Pole present and the entire examination was carried on under the direction of the principal Jewish rabbis of Pinsk who furnished interpreters when such were necessary.["]

GIBSON

860c.4016/67 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [12]

WARSAW, *June 1, 1919, 10 p.m.*
[*Received June 4, 11.32 a.m.*]

41. My 37, May 31, 7 p.m.[13] Dolbeare [14] telephones me this morning as follows:

Chenstokhov, town 60,000 inhabitants, on short rations, only three days reserve, unemployed number 12,000 large portion these given some light employment by municipality to keep them quiet. About 1,000 working near center of city.

On Tuesday, May 27th, shot was fired by unknown person severely wounding Silesian soldier. Some time later small group went to a house from which they thought shot had been fired. Police came at once to rescue of the Jew whom they had caught in the house. There was some disorder at this time. The Jew was somewhat hurt and one of the policemen very seriously injured trying to protect him. This excitement came at a time when large number of workmen were leaving their place of employment and streets were thronged with them. About 3,000 people quickly gathered. Police succeeded in getting young Jew to Police Headquarters. Threatening crowds gathered before it, there were about six Silesian soldiers with crowd. This occurred [between] one and four. At this time a sailor, formerly of German Navy, who apparently had not been seen in the town before, [summoned hungry] to go to the market place which is in the Jewish quarter. The [gangs] proceeded to market place and entered two or three houses. Another mob of like character surged around various parts of the city. Police authorities, district commissioners, local commandant and headquarters of 7th division acted quickly. General in command 7th division with several of his officers went to the scene of trouble, ordered out patrols and at 7 o'clock order was restored. In [first] riot one person was killed, in the second four others were so badly hurt that they died in the hospital, eight wounded now in hospital, number of policemen injured.

Dolbeare and his colleagues convinced that [conditions] arose through economic difficulties and that there was no religious question involved. I learn from relief heads that Chenstokhov is famous for smuggling of food supplies into Germany, that the Jews

[12] Forwarded by the Commission to Negotiate Peace as No. 2403.
[13] Not printed.
[14] Frederic R. Dolbeare, Secretary of the Legation.

have been very active in this work and since [*sic*] a number of them have been caught bearing regular licenses from the Germans for smuggling. Food is scarce and prices very high. There is rough element in the population of this district which with hunger and lack of work are for the present out of hand.

Dolbeare states that loyal authorities seem to have handled situation well and so as not to arouse the population. They regard the affair as sporadic and do not look for further trouble, [provided] they can get some food soon.

I expect further telephonic report [from our] representative. [Large number] people in hospital and sailor who led the mob has been [convicted].

GIBSON

860c.4016/72 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [15]

WARSAW, *June 2, 1919, midnight.*
[*Received June 7, 7.20 p.m.*]

114 [*44*]. For Mission and Department. I venture to submit the following observations which it is desirable to bear in mind in connection with questions affecting the Jews in Poland.

1. The Jews should not for all purposes be considered as a whole. There are very clearly separate[d] classes and the distinctions are generally recognized by the Poles. These may be indicated as follows:

(*a*) The assimilators. The element of patriotic and respected Jews who are assimilated to the body of Polish citizens and are not involved in the so called Jewish question. They occupy Government positions and have no grievances against the Polish state. They look upon their religion purely as a religion and not as a nationality.

(*b*) The orthodox Jews. Chiefly engaged in trade and manufacture, peddling, et cetera. Although not aggressive they are as a rule indifferent to Polish state. Among them is an educated element, professional men, et cetera, who profess loyalty to Poland.

(*c*) The Litwaks. Russian Jews whose coming to Poland was attributable to two causes: (1) The planting of spies, *agents provocateurs*, et cetera, as a part of the old Russia[n] system. (2) A far greater number simply deported to get them out of Russia proper. These people are avowedly hostile to the Polish Government and give open provocation to public feeling. They are as a rule better educated than the run of the Jews in Poland and like type are wealthy.

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[15] Forwarded by the Commission to Negotiate Peace as No. 2439.

(*d*) The criminal class. A troublesome class composed chiefly of young Jews who have abandoned the tenets of their religion and live largely by their wits, a class that is not unlike the gun men in New York and gives constant trouble to the police.

2. The Jewish question in Poland is not in any sense religious but social and economic. Neither Poles nor Jews refer to religious differences in discussing the question [of] social problems.

(*a*) A large element of Jews persist in looking upon their religion as a nationality. Their attitude toward the Poles [in this respect] is often hostile and provocative. The attitude of the Jewish press and Jewish members of the Diet serve to intensify ill feeling. These believe that they can coerce Poland through the influence of foreign Jews upon their Governments. This situation is not helped by the attitude of Polish newspapers [many of] which keep feeling stirred up by constant discussion of Polish grievances against the Jews.

(*b*) Under the old oppressive rulers it was known that spies and *agents provocateurs* for Russia, Germany and Austria, were continually recruited from the Jewish ranks. More recently bandits and spies for the Bolsheviki, the Ukrainians and Germans have been recruited in the same way. This does not mean that the Jews as a class have done these things but it is an undoubted fact that many of the agents who have been apprehended have been Jews who have sought to impair military operations in the war zone, cutting telephone and telegraph wires. Their behavior towards the troops has brought about what is at present the worst phase of the problem. The soldiers are generally convinced that Jews are carrying intelligence to the enemy, firing on them from houses et cetera. The result is a dangerous state of feeling. It is to be noted that all the important incidents in which Jews have recently been killed were troubles (in?) Lemberg, Pinsk and Chenstokhov. Great difficulty is now being experienced by the commanders of Haller's troops in controlling anti-Jewish action. The Polish officers with these troops are men who have come from Russia since the Bolshevik regime [and] who have seen the Jew as a Bolshevik or his agent in nefarious practices. The soldier who comes from America is first amused by the Jewish costume, beard and habits and then incensed by the Jew's lack of patriotism and his speech. In view of the misery on every side, his sense of justice is easily aroused.

Economic problems. In former times there was no Polish class to occupy the middle ground between peasant and noble landowners. The Jews came in and occupied that place without resistance. As time went on a Polish middle and merchant class grew up and that matter was in a fair way to adjustment when in 1905 Russia drove many of her Jews across the border into Poland. This reestablished

the preponderance in trade of the Jews and intensified the feeling. In parts of the country the Jews have a practical monopoly of trade particularly in foodstuffs and consider this has made one of the most dangerous phases of the question. There is no doubt that this class carries on business by methods that would not be tolerated in the United States but that has been permitted under the old form of tyranny and cannot be quickly corrected by Governmental action. Now they hoard food to keep prices up and indulge in profiteering. How far Christians have gone in for these detestable practices I have not been able to determine but the fact is that most of the food shops belong to Jews and the resentment for these practices falls upon them. The situation is aggravated by the fact that there is in Poland a large population of unemployed largely of the turbulent sort to be found in mining and manufacturing communities. When they see food which they cannot buy because of high prices they resort to violence. Another grievance is that Jews smuggle food through the military lines into Germany and into territory occupied by the Germans. This is an organized business and smugglers licenses are issued by the German authorities permitting these people to pass freely for the recognized purpose of smuggling food out of Poland. Incidents that occur in this connection have no religious tinge. If a Jew is injured it is called a pogrom. If a Christian is mobbed it is called a food riot.

3. The present campaign abroad is largely based on agitation fomented outside of Poland. The Jews here complain of their treatment in general and refer on all occasions to the Pinsk affair in regard to which I have reported fully, and for the past day or two to Chenstokhov. They make no reference to general hardships [*massacres*] such as are reported in the foreign press and I judge that they consider these two affairs their principal grievances. I learn from Lieutenant Colonel Dawley General Staff that there is a German news agency established at Kovno which is in German hands and that this agency is pouring out [to Berlin] a stream of stories as to what is happening in the [neighboring] regions under Polish occupation. These articles are copied in the press of Scandinavia and other countries whence comes [a great] part of the present agitation. The Germans are clearly doing this with a purpose: (*a*) to stir up as much dissension as possible inside the country so as to keep it in a weakened condition and (*b*) to create the impression throughout the world that Poland is a country unworthy of our support or sympathy, thereby weakening her as a possible rival or enemy. This German propaganda is certainly not undertaken for the altruistic purpose of helping the Jews.

4. Our aim in this matter, I take it, is to exert any proper effort to prevent violence or discrimination against the Jews and to contribute so far as may be to a better understanding between the races.

5. Solution is only possible through the elimination of the present distrust and dislike which is largely artificial and in order to accomplish this I see the following possibilities:

(*a*) To prevail upon the local press both Polish and Jewish to moderate its tone. I have had some talks on the subject and believe that a certain amount can be accomplished in this direction.

(*b*) To call upon the assimilator Jew to throw off his present passive attitude and take an organized active part in assisting the Polish Government to solve this problem both through advice and example as well as actual efforts with their own coreligionists. American Jews can play an important part in stating [*starting*] such a campaign.

(*c*) I believe there is a good deal of misapprehension as to the attitude of the United States on the question both among Poles and Jews to the effect that we are advocates of the Jews as such as against the Poles. This is used as a lever by the Jews and is a cause of resentment and distrust among the Poles. This might be helped providing some representative Poles could visit England and the United States to study the Jewish question along constructive lines.

(*d*) Violent agitation abroad based on unwarranted reports of conditions cannot help the Jews but has exactly the opposite effect. Such propaganda when it becomes generally known here, will rightly or wrongly be attributed in some measure to the Jews and resentment will be intensified. After such agitation has been discredited, it will be difficult to secure credence for real grievances when they arise. I believe that the Department can render a service to the Jews of Poland by discouraging agitation based upon exaggerated or unfounded reports.

(*e*) The Department can contribute to the solution of this problem by: (1) facilitating the coming [to] Poland of American Jews who are prepared to face facts honestly and work patiently for the good of their coreligionists; (2) refusing passports to agitators of any sort, Jewish or Christian. We have had unfortunate experiences with both kinds.

6. A great problem which is the product of time and circumstances requires both patience and good will for its solution. Solution is deferred by agitation which is productive of ill will on both sides. The Polish Government is [well intentioned] but lacks power and experience in authority. It is amenable to suggestion to an

extent that is surprising. I should be glad therefore to receive ideas from the Department or from anybody sincerely interested in the problem.

GIBSON

860c.4016/59 : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)[16]

WASHINGTON, *June 3, 1919, 5 p.m.*

23. Your 36, May 30th. Department desires that you invite Doctor Bogen and Lt. Col. Bailey to accompany you in a careful personal investigation and that you cable the substance of your report in order that it may be received here if possible within a week. Newspaper reports regarding alleged pogroms have laid special stress on alleged occurrences at Pinsk, Vilna, and Lemberg and elsewhere, Department is particularly interested in events which have occurred since the establishment of responsible Polish Government.

PHILLIPS

860c.4016/77 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[17]

WARSAW, *June 8, 1919, 10 p.m.*
[*Received June 12, 2.40 a.m.*]

55. Feel I should point out that we may expect disorders with increasing frequency in Poland in the near future. This will largely be from the nervousness of the population due to the following causes:

1. Shortage of the food supply which will continue for some time.
2. Uncertainty over determination of frontiers.
3. Fear of German hostilities.
4. Great extent of unemployment.

These disorders may as rule be expected to take an anti-Jewish character for the following reasons:

1. Food hoarding and profiteering by certain elements of the Jews.
2. Rumored hostile Jewish influence against Poland in England, France and America and anti-Polish agitation in these countries over Jewish matters.

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[16] Sent via the Embassy in France.
[17] Forwarded by the Commission to Negotiate Peace as No. 2510.

3. Proposed special treaty for the protection of the rights of minorities which is resented as needlessly imposing on the Polish state conditions most of which would have been adopted without pressure.

4. Relations of Polish Jews with the Germans.

5. Inclination of mobs to pillage food shops which are largely in the hands of the Jews.

[GIBSON]

860c.4016/91a : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *June 10, 1919, 6 p.m.*

26. *New York Times* publishes this morning statement from Paris that Louis Marshall, head of Jewish Committee in Paris has received detailed report from his representatives of the persecution of Jews by Poles in Vilna. Report is called by correspondent "Detailed circumstantial account of murders, tortures, robberies, and separation of families giving names and addresses of victims." Report tells first of disappearance of 400 Jews driven from their homes without leaving traces of their whereabouts. Not until May 7, more than 14 days after they had been sent away, was permission given to Commission to search for these lost people. Report continues "Of the whole party all we know is that they were seen thrown into the cars in a frightful condition and were beaten and robbed." Report states that the number of killed already totals 60. States further that L. Jaffe President of the Lithuanian Zionist Association, member of Executive Committee of Jewish Community of Vilna, suffered special mishandling. According to report Israel Benski was shot in his home and his wife and child shot over his dead body, and that Reisa Stein was killed because she protested against arrest of her husband. It is said that under threat of shooting, about 200 Jews were kept in the Theater Platz all day during the 22nd of April and were beaten, that Rabbis Rubinstein and Schabad were seized by their beards and beaten with the butts of guns, that Chaio Warnian was robbed and tied to the horse of a legionary driven at gallop through the city, that three old men, Aronozicz, Katz and Gabbi Chodes were robbed of everything they had, that about 20 legionaries kept a man named Lichtenstein before a firing squad and demanded 10,000 roubles and that under pretense of a search legionaries and militia plundered shops, warehouses, charitable institutions and synagogues.

Report is represented as a flat contradiction of statement of Premier Paderewski that there was no persecution of Jews by Poles. Copy of newspaper is being sent you by pouch.

POLK

860c.4016/82 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [18]

WARSAW, *June 11, 1919, 11 p.m.*
[*Received June 13, 6.14 p.m.*]

62. Department's 9, May 21st, my 23, May 24th,[19] and 40, May 31st. Foreign Office [informs me under date of 10th inst.] that Diet commission investigating Polish affair finds additional evidence necessary and is going again to Pinsk. Investigation thus far seems to show (1) that suspicions of military authorities toward certain portion of Jewish population was well founded and (2) that action of military authorities was precipitate. I shall telegraph as soon as final report is received.

[GIBSON]

860c.4016/86 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [20]

WARSAW, *June 12, 1919, 8 p.m.*
[*Received June 14, 5 p.m.*]

63. After personal investigation on the spot Foster reports as follows: General riot in Cracow on June 6th, one Christian woman and one Jewish boy killed by stray bullet. About 100 injured including police, Christian[s], and Jews. Affair started by Polish officer attempting to arrest two ruffians fighting in the street. Crowd of about 2,000 collecting on rumor that Haller's soldiers were attacked, divided into small groups scattered through the city shouting "Down with speculators, profiteers, and high prices. Down with the Jews." No disturbance until one group met on edge of Jewish quarter armed Jewish militia coming to assist police. Militia fired one salvo which excited mob which attacked and disarmed them and started pillage. Shots from windows in another section on edge of Jewish quarter excited another group which started pillaging there. By 10 o'clock general confusion throughout the city which police unable to quiet called for military patrols. By two in the morning situation in hand. A second attempt by ruffians on June 7th to start disorder was quickly stopped. American representative of Y.M.C.A. present at the time states that affair was hardly more than a strike riot in America but inefficiency of police allowed mobs to get out of hand. Several Christian shops as well as Jewish pillaged. Cracow a known center for Bolshevik and

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[18] Forwarded by the Commission to Negotiate Peace as No. 2544.
[19] Not printed.
[20] Forwarded by the Commission to Negotiate Peace as No. 2568.

German agitators, the presence of whom with high prices and general unemployment of rough laboring elements creates a difficult situation which is easily upset.

GIBSON

860c.4016/84 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *June 14, 1919, 1 p.m.*
[*Received June 14, 11.07 a.m.*]

2563. Please inform Mission whether you have recently given out for publication any statement on Jewish situation in Poland and, if so, the nature thereof. Lansing.

AMERICAN MISSION

860c.4016/89 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [21]

WARSAW, *June 15, 1919, 11 p.m.*
[*Received June 17, 4.43 a.m.*]

69. On my return from Vilna I find Department's unnumbered [*26,*] June 10, 6 p.m. Without waiting for general report which is now being prepared I hastened to answer this so to allay the apprehension of individuals in the United States over the reports printed in the *New York Times* as to anti-Jewish excesses in Vilna.

The representative of the Jewish community made no mention of any [number of] Jews who had been driven away without giving any trace of their whereabouts. A large number of people were arrested at the time of the occupation of the town and sent to Lida and Bialystok so that for some days their whereabouts may have been unknown. These people however have been turned [*returned*] to Vilna and so far as I was able to learn there are none accounted [*unaccounted*] for.

Jaffe, concerning whom I am reporting in a separate telegram, suffered no mistreatment according to his own statement. He was arrested, kept with a big number of other people at the railroad station and sent to Lida being in custody altogether for six days. He does not claim to have been mistreated during this time. Concerning other people mentioned by name in the Department telegram I have no special information but shall endeavor secure it.

[Rabbis] Rubenstein and Schabe were not beaten or otherwise mishandled although they were both arrested the [first] day, being re-

[21] Forwarded by the Commission to Negotiate Peace as No. 2603.

leased as soon as their identity could be brought to the attention of the military authorities. I talked with both of them alone and at length.

As a whole the report in the *Times* appears to be exaggerated.

GIBSON

860c.4016/91 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [22]

WARSAW, *June 15, 1919, 6 p.m.*
[*Received June 18, 5.05 p.m.*]

75 [?]. General Haller has issued the following order:

"Soldiers; I have been told by the Jewish population of this country that they are treated by Polish soldiers in a way which is in keeping neither with the honor nor the greatness of the Polish army, that they are beaten, abused and injured, and that their property is being destroyed. Such demeanor is unworthy of Polish soldiers, who all are servants of a holy cause.

All those guilty of persecuting any portion of the population shall be severely punished and courtmartialled by my orders. The Polish soldier is bound to distinguish himself with his good behavior so as to leave behind in the hearts of every citizen of the Polish state, independently of the nationality or creed, [a feeling that he] belongs [to] a great cause, to the idea of reconstruction of his country.

To be read to all detachments now under my command. Signed General Haller."

I suggest this be given wide publicity. Should be glad to receive editorial comment for use here.

[GIBSON]

860c.4016/84 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace [23]

WASHINGTON, *June 17, 1919, 6 p.m.*

2326. Your 2563, June 14th, 1 p.m.

Committee on Foreign Affairs had under consideration resolutions more or less condemning Polish Government on basis of newspaper reports regarding alleged pogroms in Poland. Department informed Committee of substance of telegraphic correspondence with Warsaw with result that Committee decided to postpone further considera-

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[22] Forwarded by the Commission to Negotiate Peace as No. 2632.
[23] See last paragraph for instructions to repeat to Gibson, Minister in Poland.

tion of resolutions and taking of testimony regarding alleged Polish outrages pending receipt of report of facts in the case from Gibson, Colonel Bailey and Doctor Bogen.

The Department announced that Gibson, Bailey and Bogen would make an investigation. The Chairman of the Foreign Affairs Committee thereupon announced that the investigation by his Committee would be postponed and included in his statement to the press the last portion of Gibson's telegram 114 [*44*], June 2nd, Mission's 2439, June 7th,[24] in which the latter made practical suggestions for quieting the situation in Poland. In addition the Department gave out the substance of Warsaw's No. 38, May 31st, Mission's 2383,[25] containing Gibson's interview with General Pilsudski and also portion of Gibson's 35 May 30th Missions 2382.[26] The Chairman of the Foreign Affairs Committee has advised both the Poles and the Jews that in the opinion of the Committee public meetings of remonstrance in the United States should cease. The Department has endeavored to allay the general excitement in this country and to point out in various instances to inquirers that many of the press reports of pogroms appear to be greatly exaggerated.

Please repeat to Gibson for his information.

PHILLIPS

860c.4016/93 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State[27]

WARSAW, *June 17, 1919, 11 p.m.*
[*Received June 19, 2.36 p.m.*]

70. I have just returned from Vilna with Dr. Boris Bogen director for Poland of the Jewish Joint Distribution Committee and [Lieut. Col.] Walter C. Bailey, director for Poland of the American Red Cross. We discussed with the local authorities and representatives of the Jewish colony the events which occurred at the time of the taking of the town and subsequently. Our impressions may be summarized as follows:

Vilna is a town of about 150,000 inhabitants of which 43 per cent are Jews. It was occupied by the Bolsheviki up to April 20th when it was taken by the Polish troops after street fighting. Order was not definitely established for three days when civil authority was taken over by Mr. Pilsudski, the brother of the Chief of State, as District Commissioner.

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[24] *Ante*, p. 756.
[25] *Ante*, p. 752.
[26] *Ante*, p. 750.
[27] Forwarded by the Commission to Negotiate Peace as No. 2645.

The entire district in which Vilna is situated has suffered severely during the war, particularly during Bolshevik occupation. Food supplies now desperately short; the people in many villages being reduced to a point where they now have nothing to live on but soup made of nettles; their physical condition is very bad, typhus is generally prevalent. All semblance of governmental organization had disappeared during Bolshevik occupation and there was no recognized authority. The abnormal state of the population must be borne in mind in connection with what happened.

The events which involved the loss of Jewish lives took place during the capture of the town and the two days following during which time civil authority had not been established. In all 64 Jews were shot. The local authorities, military and civil, who were in Vilna at the time and immediately subsequent thereto state that some of these people were killed during house to house fighting incident to the taking of the town. According to the statements of a representative Jewish informant the number thus killed was not more than 10. In the other cases, where executions were carried out by military authorities there was in only a relatively small number of instances a regular court martial; in the others the justice was undoubtedly summary. The authorities justify the executions by the statement that some of these people were caught in active hostilities against the Polish troops, that others were shot for firing from windows, etc. In order to show that the streets during the period in question [omission].

The District Commissioner states that searches made in houses from which shots were believed to have been fired disclosed 24 machine guns and large quantity of rifles and hand grenades as well as much ammunition. This, he states, was sold to the Jews by Germans before they withdrew from Vilna. It is also stated that large numbers of Jews took part in the Bolshevik administration of the town and that many of them did not leave with the Bolsheviki; that there was an actively hostile provocative attitude on the part of the Jews on their arrival, and that the troops were bitter in their feeling against the Jews; and that this feeling was intensified by events in connection with the taking of the town. Members of the Jewish community stated that while it is true that a number of individual Jews did occupy [positions] under the Bolshevist administration this is also [true] of the Poles and White Russians and should not be especially charged up against the Jews. The members of the Jewish community also stated that their people did not engage in hostilities against Polish troops. They say, however, that the Bolsheviki were quartered in houses throughout the city and did undoubtedly shoot and throw hand grenades before escaping. The Jews state that about 2,000 of their number were

arrested during the first few days, many of them sent to Lida and Bialystok. [Omission] being tense situation in the town they had no time for prolonged and careful investigation, that they gathered in all known Communists, every one in the houses from which shots had been fired or where concealed weapons had been found; also a large number of others were taken on suspicion, the authorities taking no chances. They state that almost immediately they began releasing those who were vouched for by responsible people and that within a short time a commission of Polish and Jewish members was established to investigate cases and release individuals. Representative Jews state that this commission [was] exceedingly slow and unsatisfactory in its work. Another commission was constituted and is now investigating cases. Nearly a thousand people are still under arrest in Vilna. The authorities state that persons now held are either known Communists or persons against whom there is such a strong presumption of guilt that they must be held for the present. Investigations continue, however, and liberations are being made from day to day.

The Jews also complain that many of their shops were pillaged, losses running into millions of marks. Pilsudski states in a [positive] manner that while there was looting of shops in a few cases, there was nothing general and that he has had no complaints of large losses although such complaints would in natural course come to his knowledge.

Our conclusions may be summarized as follows:

1. In view of the lack of any contemporary record we doubt whether the exact truth of [occurrences] can ever be ascertained.

2. The events described took place during the fighting of the first three days and before the authorities had obtained control.

3. At the time Polish troops entered Vilna there was such a wide spread feeling among the Polish population and among the soldiery against Jews believed to be allies of the Bolsheviki, war profiteers and enemies to Poland that a hostile sentiment prevailed against Jews as such.

4. On entering Vilna the troops were fired on from private houses throughout the town and some of these houses were occupied by Jews. Searches disclosed fuses, machine guns, and other weapons.

5. The troops during these three days made wholesale arrests, ransacked dwellings, and shops, and summarily executed a number of persons.

6. At the end of three days the military and civil authorities issued orders against pillaging and took effective control. Since that date no cases of serious violence are reported.

7. At the present time the laws so far as the protection [of] life is concerned are maintained.

8. The Jews are apprehensive; a general under current of anti-Jewish feeling still exists and gives cause for some concern.

9. The Jewish population expresses confidence in the fairness of the Chief of State, the Commissioner at Vilna and General Szeptycki commanding on the Bolshevik front.

[GIBSON]

860c.4016/93 : Telegram

The Acting Secretary of State to the Minister in Poland (Gibson)

WASHINGTON, *June 20, 1919, 5 p.m.*

32. Your 70, June 17th, 11 p.m. Through Ammission. Please inform Department in all your reports specifically whether Bogen concurs in conclusions reached.

Department anxious to ascertain whether you have concluded investigation of alleged pogroms. Congressional Committee awaits information from you before acting on resolutions.

POLK

860c.4016/96 : Telegram

The Minister in Poland (Gibson) to the Acting Secretary of State [28]

WARSAW, *June 20, 1919, 2 p.m.*
[*Received June 22, 4.40 a.m.*]

Since our arrival here we have devoted most of our efforts to Jewish questions. We have discussed the matter at length with Jews of varying opinions and with Poles, both in and out of the Government. I feel that we have been successful in impressing the Government with the seriousness of the situation and they have already acted upon some of our suggestions. The friendly declarations of General Haller and the Minister of the Interior and Governmental pressure enable the press to modify its tone. They realize the friendly spirit which prompts our interest, show a readiness to follow our advice and I believe that other steps will be taken soon.

The various excesses, which have taken place since last November, appear to be due chiefly to abnormal conditions. I attach greater importance to the state of public opinion which is undoubtedly bad and may have serious consequences. We are trying to improve the situation in this respect by exerting our friendly influence with Polish Government to adopt obvious measures such as moderating tone of press, controlling actions of troops, issuing strict instructions to officials throughout the country etc.

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[28] Forwarded by the Commission to Negotiate Peace as No. 2695.

I shall be glad to receive any suggestions as to specific action that the Department may be disposed to offer either as its own views or those of people interested in the question.

GIBSON

860c.4016/100 : Telegram

The Minister in Poland (Gibson), Temporarily at Paris, to the Acting Secretary of State [29]

PARIS, *June 25, 1919, 10 p.m.*
[*Received June 26, 3.09 a.m.*]

Department's 32, June 20, 5 p.m. Report on Vilna affair was joint report by Bogen, Bailey and me. The Department was expected to use it as such.

Bogen, Bailey and I visited Lida and Lemberg, making personal investigations in each place. Before the report was prepared, I was summoned to Paris for conference and have arrived today. Am asking Bogen and Bailey to agree on report and telegraph it here so that I may transmit it to Department.

Mission of the Diet has returned to Pinsk to secure further information on various doubtful points. Bogen, Bailey and I were agreed that we could not with propriety [go there] for a short investigation while the Mission were sitting in hearings which have lasted for some weeks and may last for several weeks longer.

I am informed that the President contemplates sending to Poland a mission to investigate Jewish matters. In case this is decided upon it would seem futile for me to make further investigations.

[GIBSON]

860c.4016/56

The Acting Secretary of State to the Senate of the United States

TO THE SENATE OF THE UNITED STATES:

In response to the resolution of the Senate bearing date May 26, 1919 and reading as follows:

"Whereas it is reported that innocent men, women and children, particularly of the Jewish faith, are being outraged and massacred in Poland, Rumania, and Galicia: Therefore be it

"Resolved, That the Department of State be, and hereby is, directed to communicate such reports to the President of the United States, and request that he confer with the representatives at the

[29] Forwarded by the Commission to Negotiate Peace as No. 2784.

Peace Conference of the countries where such outrages and massacres are reported to occur, and inform them that this body and the American people generally deeply deplore acts of violence and cruelty committed against men, women and children because of race or religion,"

the undersigned, the Acting Secretary of State, in the absence of the President and Secretary of State from the country has the honor to make the following statement: Prior to the passage of the resolution of the Senate on April 25 last, the Department had instructed the American Minister to Poland, who was then in Paris, to make investigation on his arrival in Poland of the truth of a report that on April 5 last, certain Jews were massacred by the Poles at Pinsk while the Passover bread was being distributed.

Subsequently thereto and prior to the passage of the resolution other instructions were sent by telegraph to Mr. Gibson, the American Minister at Warsaw, to make investigation regarding other reports that had been received of massacres of Jews in Poland and subsequently to the passage of the resolution further telegraphic instructions have been sent.

The Minister was instructed to associate with himself two commissioners in the investigation of the charges which had been made and of the reports which had been received.

The Department suggested the appointment by the Minister, as members of his commission, of Dr. Boris Bogen, in charge of the Polish work of the Jewish Joint Distribution Committee, and Lieutenant Colonel Walter C. Bailey, director for Poland of the American Red Cross, and they were appointed and acted with him.

The Department of State has also, in pursuance of the directing terms of the Resolution, communicated it to the President and has been instructed by him to inform the Senate what steps are being taken to have the reports investigated. The President has further given some thought to the advisability of sending another commission to Poland, which matter will probably be definitely decided after Mr. Gibson has had an opportunity of discussing the subject at Paris.

Both prior to the passage of the Resolution and subsequently thereto the American Minister at Bucharest was instructed by the Department to investigate carefully the Jewish situation in Rumania and to report promptly.

Respectfully submitted.

FRANK L. POLK

WASHINGTON, *June 26, 1919.*

860c.4016/101 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *June 28, 1919, 3 p. m.*

2456. Your 2810 June 26, 5 p.m.[30] Following two statements are the only ones given to Press by Department on Jewish situation in Poland:

1. *June 3, 1919.* The Provisional Government of Poland has given the American Legation at Warsaw positive assurances that it is opposed to anti-Jewish activities and that it will not tolerate persecution of Jews in that country. It will take strong measures at once to protect all Jews in Poland, the Legation was advised. This statement reported in a despatch from Warsaw to the Department of State today [31] was in reply to instructions from the Department to the Legation to ascertain the true situation and to inquire into the attitude of the Polish Government.

The American Minister reported in the despatch today that he had called upon General Pilsudski, President of the Polish Government, and that General Pilsudski had advised him he not only is opposed to persecution of Jews but has given strict instructions to maintain order and to protect the Jews at Chenstokhov, that he had warned the army in peremptory orders that the persecutions will not be tolerated, that officers will be responsible for any such acts on the part of their men, and that severe punishment will be meted out to offenders. The situation in Chenstokhov is said to have been investigated personally by the Polish Minister of the Interior.

President Pilsudski expressed indignation that reflections had been brought upon the country by anti-Jewish activities. He stated that the persecution of the Jews brought shame upon the name of Poland and could only harm the country. He pointed out that the Jews, of whom there are millions in Poland, are going to remain in Poland and that the Polish people will live in close contact with them. He said that both the Government and the best element of the Polish people are strongly opposed to any persecution knowing as they do that discord among elements of the Polish population must be eliminated in order that the country may settle down to peaceful development and for the public weal the Government will suppress with an iron hand any anti-Jewish activities.

2. *June 7, 1919.* "Cable advices regarding the Jewish situation in Poland have been received by the Department of State from the American Minister at Warsaw, Mr. Hugh Gibson.

Mr. Gibson states [32] that he has received no reports of atrocities against Jews in Poland, Lithuania and Galicia, with the exception of the affairs at Vilna and Pinsk. He states that his sources of information are the local newspapers, including the Jewish press;

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[30] Not printed.
[31] Despatch not printed; see Minister's telegram No. 38, May 31, p. 752.
[32] See Minister's telegram No. 35, May 30, p. 750.

the American Relief Administration, whose representatives cover all Polish districts; the American Red Cross; the American Jewish Joint Distribution Committee; Allied Mission; representatives of Jewish organizations who have talked frankly with him concerning the situation; and miscellaneous sources.

It is stated that information has been given that there is feeling against certain classes of Jews largely due to economic reasons rather than to religious intolerance, and that according to this information certain Jewish elements support the Government and are regarded with respect as an integral part of the nation of Poland while another Jewish element is openly hostile to the Government.

The city of Vilna was captured by the Poles on April 29th, in a house to house fight, and some of the local population were killed during this fight. It is reported that the Polish forces had 35 casualties and that 38 civilians were killed. Persons who were known to be, or were even suspected of being, Communists, it is stated, were deported as hostages as a set-off against Poles deported by the Bolshevists. These cases have been under investigation by a commission and those found to be citizens of good repute are being returned to Vilna without delay.

Colonel Godson, attached to the American Legation at Berne, his assistant, Lieutenant Dewald, and an American newspaper correspondent were in Vilna on May 5th and talked with Jews and others regarding the situation. Later, representatives of the Relief Administration and also a general staff officer attached to the Mission in Lithuania and a representative of the Jewish Joint Distribution Committee were in Vilna. Information has been given that all of these persons are unanimous in the report that there was no Jewish massacre in Vilna and that statements in the Jewish newspapers of Warsaw confirm this view."

Chairman of Foreign Affairs Committee gave to press without substantial change last portion of Gibson's telegram No. 114 [44], June 2nd, Mission's No. 2439, June 7th [32] from "4. Our aim in this matter" to end.

PHILLIPS

860c.4016/104 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 2, 1919, 7 p.m.*
[*Received 10.03 p.m.*]

2923. Your 2438, June 26, 6 p.m.[33] Gibson has made a conscientious but necessarily brief inquiry into events at Vilna, Lida, Lemberg and a number of other places. He finds, however, that the responsibility of these events is not always easy to place with entire justice; that the causes are often obscure and involve economic, social and political forces. He does not feel that he or anyone else can

[32] *Ante*, p. 756.

[33] Not printed.

honestly undertake to give an opinion upon these events based upon such investigations as he can make while attending to other duties. He has therefore asked that a commission be appointed to devote its entire attention for as long a period as may be necessary to investigation of the relations between the Poles and Jews. This, of course, will involve a careful investigation of the various events complained of not only to establish the exact truth as to what has happened but to discover as accurately as may be the causes behind these events with a view to seeking a remedy for the situation, which he considers very bad and fraught with serious danger for the future.

The President has appointed a commission composed of Mr. Henry Morgenthau, Mr. Homer Johnson and Brigadier General Jadwin who will proceed to Poland within a short time to study the whole question with a view to rendering constructive service to both the Polish State and the Jewish community. Inasmuch as this commission is about to take up its duties Gibson feels that any fragmentary investigations that he could make would serve no useful purpose and the Mission holds the same view. Lansing.

AM[ERICAN] MISSION

860c.4016/160

The Secretary of State to President Wilson [34]

THE PRESIDENT: The undersigned, the Secretary of State, in response to a resolution passed by the Senate of the United States on October 22, (calendar day, October 28) 1919, reading as follows:

" Whereas it is understood that the Mission of the United States Government to Poland, headed by Hon. Henry Morgenthau, has completed its work, and Mr. Morgenthau has made a report to the Secretary of State: Therefore be it

Resolved, That the Secretary of State is hereby requested to send to the Senate, if it is not incompatible with the public interest, a copy of said report ",

has the honor to submit herewith for transmission to the Senate, if the President approve thereof, a copy of the report made by the Honorable Henry Morgenthau, head of the Mission, and a copy of a report made by the other members of the Mission, General Edgar Jadwin, United States Army, and Mr. Homer H. Johnson.

Respectfully submitted,

ROBERT LANSING

WASHINGTON, *January 14, 1920.*

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[34] Communicated, with attached reports, by the President to the Senate Jan. 15, 1920; printed as S. Doc. No. 177, 66th Cong., 2d sess.

[Enclosure 1]

Report of the Head of the Mission to Poland (Morgenthau) to the Commission to Negotiate Peace

PARIS, *October 3, 1919.*

GENTLEMEN: 1. A Mission, consisting of Mr. Henry Morgenthau, Brigadier General Edgar Jadwin, and Mr. Homer H. Johnson, was appointed by the American Commission to Negotiate Peace to investigate Jewish matters in Poland. The appointment of such a Mission had previously been requested by Mr. Paderewski, President of the Council of Ministers of the Republic of Poland. On June 30, 1919, Secretary Lansing wrote to this Mission: "It is desired that the Mission make careful inquiry into all matters affecting the relations between the Jewish and non-Jewish elements in Poland. This will, of course, involve the investigation of the various massacres, pogroms, and other excesses alleged to have taken place, the economic boycott, and other methods of discrimination against the Jewish race. The establishment of the truth in regard to these matters is not, however, an end in itself. It is merely for the purpose of seeking to discover the reason lying behind such excesses and discriminations with a view to finding a possible remedy. The American Government, as you know, is inspired by a friendly desire to render service to all elements in the new Poland—Christians and Jews alike. I am convinced that any measures that may be taken to ameliorate the conditions of the Jews will also benefit the rest of the population, and that, conversely, anything done for the community benefit of Poland as a whole will be of advantage to the Jewish race. I am sure that the members of your Mission are approaching the subject in the right spirit, free from prejudice one way or the other and filled with a desire to discover the truth and evolve some constructive measures to improve the situation which gives concern to all the friends of Poland."

2. The Mission reached Warsaw on July 13, 1919, and remained in Poland until September 13, 1919. All the places where the principal excesses had occurred were visited. In addition thereto the Mission also studied the economic and social conditions in such places as Lodz, Krakau, Grodno, Kalisch, Posen, Cholm, Lublin, and Stanislawow. By automobiling over 2,500 miles through Russian, Austrian, and German Poland, the Mission also came into immediate contact with the inhabitants of the small towns and villages. In order properly to appreciate the present cultural and social conditions, the Mission also visited educational institutions, libraries, hospitals, museums, art galleries, orphan asylums, and prisons.

3. Investigations of the excesses were made mostly in the presence of representatives of the Polish Government and of the Jewish communities. There were also present in many cases military and civil officials, and, wherever possible, officials in command at the time the excesses occurred were conferred with and interrogated. In this work the Polish authorities and the American Minister to Poland, Mr. Hugh Gibson, lent the Mission every facility. Deputations of all kinds of organizations were received and interviewed. A large number of public meetings and gatherings were attended, and the Mission endeavored to obtain a correct impression of what had occurred, of the present mental state of the public, and of the attitude of the various factions towards one another.

4. The Jews first entered Poland in large numbers during the 12th and 13th centuries, when they migrated from Germany and other countries as the result of severe persecutions. Their language was German, which subsequently developed into a Hebrew-German dialect, or Yiddish. As prior to this immigration only two classes or estates had existed in Poland (the owners and the tillers of the soil) the Jewish immigrant became the pioneer of trade and finance, settling in the towns and villages. As time went on, it became generally known throughout Europe that Poland was a place of refuge for the Jews, and their numbers were augmented as a result of persecutions in Western Europe. Still more recently, as a result of the expulsion of the Jews from Russia, on account of the enforcement of the Pale of settlement, and of the May laws of 1882, their number was further increased.

5. Notwithstanding the fact that Poland has been a place of refuge for the Jews, there have been anti-Jewish movements at various times. The present antisemitic feeling took a definite political form after the Russian revolution of 1905. This feeling reached an intense stage in 1912 when the Polish National Democratic Party nominated an anti-Semite to represent Warsaw in the Russian Duma and the Jews cast their vote for a Polish Socialist and carried the election. The National Democratic Party then commenced a vigorous antisemitic campaign. During the German occupation this campaign was temporarily reduced. At the end of the Great War the chaotic and unnatural state of affairs in which Poland found itself gave good ground for a condition of social unrest, which, together with the world-stimulated tendency toward national self-determination, accentuated the feeling between Jewish and non-Jewish elements. The chauvinistic reaction created by the sudden acquisition of a long-coveted freedom ripened the public mind for antisemitic or anti-alien sentiment, which was strongly agitated by the Press and by

politicians. This finally encouraged physical manifestations or violent outcroppings of an unbalanced social condition.

6. When, in November, 1918, the Austrian and German armies of occupation left Poland there was no firm government until the arrival of General Pilsudski, who had escaped from a German prison, and it was during this period, before the Polish Republic came into being, that the first of the excesses took place. (The Mission has purposely avoided the use of the word "pogrom," as the word is applied to everything from petty outrages to premeditated and carefully organized massacres. No fixed definition is generally understood.) There were eight principal excesses, which are here described in chronological order.

(*1*) *Kielce, November 11, 1918.*

Shortly after the evacuation of the Austrian troops from Kielce the Jews of this city secured permission from the local authorities to hold a meeting in the Polski Theater. The purpose of this meeting was to discuss Jewish national aspirations. It began shortly before two o'clock and filled the theater to overflowing. During the afternoon a small crowd of Polish civilians, largely composed of students, gathered outside of the theater. At 6:30 p.m. the meeting began to break up, and when only about 300 people remained in the theater, some militiamen entered and began to search for arms. A short while thereafter, and while the militiamen were still in the building, a crowd of civilians and some soldiers came into the auditorium and drove the Jews towards the stairs. On the stairs there was a double line of men armed with clubs and bayonets, who beat the Jews as they left the building. After the Jews reached the street they were again beaten by a mob outside. As a result of this attack four Jews were killed and a large number wounded. A number of civilians have been indicted for participation in this excess, but have not as yet been brought to trial.

(*2*) *Lemberg, November 21–23, 1918.*

On October 30, 1918, when the Austrian Empire collapsed, the Ukrainian troops, formerly in the Austrian service, assumed control of the town. A few hundred Polish boys, combined with numerous volunteers of doubtful character, recaptured about half the city and held it until the arrival of Polish reinforcements on November 21st. The Jewish population declared themselves neutral, but the fact that the Jewish quarter lay within the section occupied by the Ukrainians, and that the Jews had organized their own militia, and further, the rumor that some of the Jewish population had fired upon the soldiery, stimulated amongst the Polish volunteers an antisemitic bias that readily communicated itself to the relieving troops. The situation was further complicated by the presence of some 15,000 uni-

formed deserters and numerous criminals released by the Ukrainians from local jails, who were ready to join in any disorder, particularly if, as in the case of wholesale pillage, they might profit thereby.

Upon the final departure of the Ukrainians, these disreputable elements plundered to the extent of many millions of crowns the dwellings and stores in the Jewish quarter, and did not hesitate at murder when they met with resistance. During the ensuing disorders, which prevailed on November 21st, 22nd, and 23rd, sixty-four Jews were killed and a large amount of property destroyed. Thirty-eight houses were set on fire, and owing to the paralysis of the fire department, were completely gutted. The Synagogue was also burned and large numbers of the sacred scrolls of the Law were destroyed. The repression of the disorders was rendered more difficult by the prevailing lack of discipline among the newly organized Polish troops, and by a certain hesitation among the junior officers to apply stern punitive measures. When officers' patrols under experienced leaders were finally organized on November 23rd, robbery and violence ceased.

As early as December 24, 1918, the Polish Government, through the Ministry of Justice, began a strict investigation of the events of November 21st to 23rd. A special commission, headed by a Justice of the Supreme Court, sat in Lemberg for about two months, and rendered an extensive formal report which has been furnished this Mission. In spite of the crowded dockets of the local courts, where over 7,000 cases are now pending, 164 persons, ten of them Jews, have been tried for complicity in the November disorders, and numerous similar cases await disposal. Forty-four persons are under sentences ranging from ten days to eighteen months. Aside from the civil courts, the local court martial has sentenced military persons to confinement for as long as three years for lawlessness during the period in question. This Mission is advised that on the basis of official investigations the Government has begun the payment of claims for damages resulting from these events.

(*3*) *Pinsk, April 5, 1919.*

Late in the afternoon of April 5, 1919, a month or more after the Polish occupation of Pinsk, some 75 Jews of both sexes, with the official permission of the Town Commander, gathered in the assembly hall at the People's House, in the Kupiecka Street, to discuss the distribution of relief sent by the American Joint Distribution Committee. As the meeting was about to adjourn, it was interrupted by a band of soldiers, who arrested and searched the whole assembly, and, after robbing the prisoners, marched them at a rapid pace to Gendarmerie Headquarters. Thence the prisoners were conducted to the market place and lined up against the wall of the Cathedral.

With no lights except the lamps of a military automobile the six women in the crowd, and about 25 men, were separated from the mass, and the remainder, 35 in number, were shot with scant deliberation and no trial whatever. Early the next morning three wounded victims were shot in cold blood when it was found that they were still alive.

The women and other reprieved prisoners were confined in the city jail until the following Thursday. The women were stripped and beaten by the prison guards so severely that several of them were bed-ridden for weeks thereafter, and the men were subjected to similar maltreatment.

It has been asserted officially by the Polish authorities that there was reason to suspect this assemblage of Bolshevist allegiance. This Mission is convinced that no arguments of Bolshevist nature were mentioned in the meeting in question. While it is recognized that certain information of Bolshevist activities in Pinsk had been received by two Jewish soldiers, the undersigned is convinced that Major Luczynski, the Town Commander, showed reprehensible and frivolous readiness to place credence upon such untested assertions, and on this insufficient basis took inexcusably drastic action against reputable citizens whose loyal character could have been immediately established by a consultation with any well-known non-Jewish inhabitant.

The statements made officially by General Listowski, the Polish Group Commander, that the Jewish population on April 5th attacked the Polish troops, are regarded by this Mission as devoid of foundation. The undersigned is further of the opinion that the consultation prior to executing the 35 Jews, alleged by Major Luczynski to have had the character of a court-martial, was by the very nature of the case a most casual affair with no judicial nature whatever, since less than an hour elapsed between the arrest and the execution. It is further found that no conscientious effort was made at the time either to investigate the charges against the prisoners or even sufficiently to identify them. Though there have been official investigations of this case none of the offenders answerable for this summary execution have been punished or even tried, nor has the Diet commission published its findings.

(4) *Lida, April 17, 1919.*

On April 17, 1919, the Polish military forces captured Lida from the Russian Bolsheviks. After the city fell into the hands of the Poles the soldiers proceeded to enter and rob the houses of the Jews. During this period of pillage 39 Jews were killed. A large number of Jews, including the local Rabbi, were arbitrarily arrested on the same day by the Polish authorities and kept for 24 hours without food amid revolting conditions of filth at No. 60 Kamienska Street. Jews were

also impressed for forced labor without respect for age or infirmity. It does not appear that anyone has been punished for these excesses, or that any steps have been taken to reimburse the victims of the robberies.

(*5*) *Wilno, April 19–21, 1919.*

On April 19th Polish detachments entered the city of Wilno. The city was definitely taken by the Poles after three days of street fighting, during which time they lost 33 men killed. During this same period some 65 Jews lost their lives. From the evidence submitted it appears that none of these people, among whom were four women, and eight men over 50 years of age, had served with the Bolsheviks. Eight Jews were marched three kilometers to the outskirts of Wilno and deliberately shot without a semblance of a trial or investigation. Others were shot by soldiers who were robbing Jewish houses. No list has been furnished the Mission of any Polish civilians killed during the occupation. It is, however, stated on behalf of the Government that the civilian inhabitants of Wilno took part on both sides in this fighting, and that some civilians fired upon the soldiers. Over 2,000 Jewish houses and stores in the city were entered by Polish soldiers and civilians during these three days, and the inhabitants robbed and beaten. It is claimed by the Jewish community that the consequent losses amounted to over 10,000,000 rubles. Many of the poorest families were robbed of their shoes and blankets. Hundreds of Jews were arrested and deported from the city. Some of them were herded into boxcars and kept without food or water for four days. Old men and children were carried away without trial or investigation. Two of these prisoners have since died from the treatment they received. Included in this list were some of the most prominent Jews of Wilno, such as the eminent Jewish writers, Jaffe and Niger. For days the families of these prisoners were without news from them and feared that they had been killed. The soldiers also broke into the synagogue and mutilated the sacred scrolls of the Law. Up to August 3, 1919, when the Mission was in Wilno, none of the soldiers or civilians responsible for these excesses had been punished.

(*6*) *Kolbuszowa, May 7, 1919.*

For a few days before May 7, 1919, the Jews of Kolbuszowa feared that excesses might take place, as there had been riots in the neighboring towns of Rzeszow and Glogow. These riots had been the result of political agitation in this district, and of excitement caused by a case of alleged ritual murder in which the Jewish defendant had been acquitted. On May 6th a company of soldiers was ordered to Kolbuszowa to prevent the threatened trouble. Early in the morning of May 7th a great number of peasants,

among whom were many former soldiers of the Austrian army, entered the town. The rioters disarmed the soldiers after two soldiers and three peasants had been killed. They then proceeded to rob the Jewish stores and to beat any Jews who fell into their hands. Eight Jews were killed during this excess. Order was restored when a new detachment of soldiers arrived late in the afternoon. One of the rioters has since been tried and executed by the Polish Government.

(7) *Czestochowa, May 27, 1919.*

On May 27, 1919, at Czestochowa, a shot fired by an unknown person slightly wounded a Polish soldier. A rumor spread that the shot had been fired by the Jews and riots broke out in the city in which Polish soldiers and civilians took part. During these riots five Jews, including a doctor who was hurrying to aid one of the injured, were beaten to death and a large number were wounded. French officers, who were stationed at Czestochowa, took an active part in preventing further murders.

(8) *Minsk, August 8, 1919.*

On August 8, 1919, the Polish troops took the city of Minsk from the Russian Bolsheviks. The Polish troops entered the city at about ten o'clock in the morning, and by twelve o'clock they had absolute control. Notwithstanding the presence in Minsk of General Jadwin and other members of this Mission, and the orders of the Polish Commanding General forbidding violence against civilians, 31 Jews were killed by the soldiers. Only one of this number can in any way be connected with the Bolshevist movement. Eighteen of the deaths appear to have been deliberate murder. Two of these murders were incident to robberies, but the rest were committed, to all appearances, solely on the ground that the victims were Jews. During the afternoon and in the evening of August 8th, the Polish soldiers, aided by civilians, plundered 377 shops, all of which belonged to Jews. It must be noted, however, that about 90% of the stores in Minsk are owned by Jews. No effective attempt was made to prevent these robberies until the next morning, when adequate officers' patrols were sent out through the streets and order was established. The private houses of many of the Jews were also broken into by soldiers and the inhabitants were beaten and robbed. The Polish Government has stated that four Polish soldiers were killed while attempting to prevent robberies. It has also been stated to the Mission that some of the rioters have been executed.

7. There have also been here and there individual cases of murder not enumerated in the preceding paragraphs, but their detailed description has not been considered necessary inasmuch as they present no characteristics not already observed in the principal excesses. In

considering these excesses as a whole, it should be borne in mind that of the eight cities and towns at which striking disorders have occurred, only Kielce and Czestochowa are within the boundaries of Congress Poland. In Kielce and Kolbuszowa the excesses were committed by city civilians and by peasants respectively. At Czestochowa both civilians and soldiers took part in the disorders. At Pinsk the excess was essentially the fault of one officer. In Lemberg, Lida, Wilno, and Minsk the excesses were committed by the soldiers who were capturing the cities and not by the civilian population. In the three last-named cities the antisemitic prejudice of the soldiers had been inflamed by the charge that the Jews were Bolsheviks, while at Lemberg it was associated with the idea that the Jews were making common cause with the Ukrainians. These excesses were, therefore, political as well as antisemitic in character. The responsibility for these excesses is borne for the most part by the undisciplined and ill-equipped Polish recruits, who, uncontrolled by their inexperienced and ofttimes timid officers, sought to profit at the expense of that portion of the population which they regarded as alien and hostile to Polish nationality and aspirations. It is recognized that the enforcement of discipline in a new and untrained army is a matter of extreme difficulty. On the other hand, the prompt cessation of disorder in Lemberg after the adoption of appropriate measures of control shows that an unflinching determination to restore order and a firm application of repressive measures, can prevent, or at least limit, such excesses. It is therefore, believed that a more aggressive punitive policy, and a more general publicity for reports of judicial and military prosecutions, would have minimized subsequent excesses by discouraging the belief among the soldiery that robbery and violence could be committed with impunity.

8. Just as the Jews would resent being condemned as a race for the action of a few of their undesirable coreligionists, so it would be correspondingly unfair to condemn the Polish nation as a whole for the violence committed by uncontrolled troops or local mobs. These excesses were apparently not premeditated, for if they had been part of a preconceived plan, the number of victims would have run into the thousands instead of amounting to about 280. It is believed that these excesses were the result of a widespread antisemitic prejudice aggravated by the belief that the Jewish inhabitants were politically hostile to the Polish State. When the boundaries of Poland are once fixed, and the internal organization of the country is perfected, the Polish Government will be increasingly able to protect all classes of Polish citizenry. Since the Polish Republic has subscribed to the Treaty which provides for the protection of racial religious and linguistic minorities, it is confidently anticipated

that the Government will wholeheartedly accept the responsibility, not only of guarding certain classes of its citizens from aggression, but also of educating the masses beyond the state of mind that makes such aggression possible.

9. Besides these excesses there have been reported to the Mission numerous cases of other forms of persecutions. Thus, in almost every one of the cities and towns of Poland, Jews have been stopped by the soldiers and had their beards either torn out or cut off. As the orthodox Jews feel that the shaving of their beards is contrary to their religious belief, this form of persecution has a particular significance to them. Jews also have been beaten and forced from trains and railroad stations. As a result many of them are afraid to travel. The result of all these minor persecutions is to keep the Jewish population in a state of ferment, and to subject them to the fear that graver excesses may again occur.

10. Whereas it has been easy to determine the excesses which took place and to fix the approximate number of deaths, it was more difficult to establish the extent of anti-Jewish discrimination. This discrimination finds its most conspicuous manifestation in the form of an economic boycott. The National Democratic Party has continuously agitated the economic strangling of the Jews. Through the Press and political announcements, as well as by public speeches, the non-Jewish element of the Polish people is urged to abstain from dealing with the Jews. Landowners are warned not to sell their property to Jews, and in some cases where such sales have been made, the names of the offenders have been posted within black-bordered notices, stating that such vendors were "dead to Poland." Even at the present time, this campaign is being waged by most of the non-Jewish Press, which constantly advocates that the economic boycott be used as a means of ridding Poland of its Jewish element. This agitation had created in the minds of some of the Jews the feeling that there is an invisible rope around their necks, and they claim that this is the worst persecution that they can be forced to endure. Non-Jewish laborers have in many cases refused to work side by side with Jews. The percentage of Jews in public office, especially those holding minor positions, such as railway employees, firemen, policemen, and the like, has been materially reduced since the present Government has taken control. Documents have been furnished the Mission showing that government-owned railways have discharged Jewish employees and given them certificates that they have been released for no other reason than that they belong to the Jewish race.

11. Furthermore, the establishment of Cooperative Stores is claimed by many Jewish traders to be a form of discrimination. It would seem, however, that this movement is a legitimate effort to restrict

the activities and therefore the profits of the middleman. Unfortunately, when these stores were introduced into Poland, they were advertised as a means of eliminating the Jewish trader. The Jews have, therefore, been caused to feel that the establishment of Cooperatives is an attack upon themselves. While the establishment and the maintenance of Cooperatives may have been influenced by antisemitic sentiment, this is a form of economic activity which any community is perfectly entitled to pursue. On the other hand, the Jews complain that even the Jewish Cooperatives and individual Jews are discriminated against by the Government in the distribution of government-controlled supplies.

12. The Government has denied that discrimination against Jews has been practiced as a Government policy, though it has not denied that there may be individual cases where antisemitism has played a part. Assurances have been made to the Mission by official authorities that in so far as it lies within the power of the Government this discrimination will be corrected.

13. In considering the causes for the antisemitic feeling which has brought about the manifestations described above, it must be remembered that ever since the Partition of 1795 the Poles have striven to be reunited as a nation and to regain their freedom. This continual effort to keep alive their national aspirations has caused them to look with hatred upon anything which might interfere with their aims. This has led to a conflict with the nationalist declarations of some of the Jewish organizations which desire to establish cultural autonomy financially supported by the State. In addition, the position taken by the Jews in favor of Article 93 of the Treaty of Versailles, guaranteeing protection to racial, linguistic and religious minorities in Poland, has created a further resentment against them. Moreover, Polish national feeling is irritated by what is regarded as the "alien" character of the great mass of the Jewish population. This is constantly brought home to the Poles by the fact that the majority of the Jews affect a distinctive dress, observe the Sabbath on Saturday, conduct business on Sunday, have separate dietary laws, wear long beards, and speak a language of their own. The basis of this language is a German dialect, and the fact that Germany was, and still is, looked upon by the Poles as an enemy country, renders this vernacular especially unpopular. The concentration of the Jews in separate districts or quarters in Polish cities also emphasizes the line of demarcation separating them from other citizens.

14. The strained relations between the Jews and non-Jews have been further increased, not only by the Great War, during which Poland was the battleground for the Russian, German, and Austrian armies, but also by the present conflicts with the Bolsheviks and the

Ukrainians. The economic condition of Poland is at its lowest ebb. Manufacturing and commerce have virtually ceased. The shortage, the high price, and the imperfect distribution of food, are a dangerous menace to the health and welfare of the urban population. As a result, hundreds of thousands are suffering from hunger and are but half-clad, while thousands are dying of disease and starvation. The cessation of commerce is particularly felt by the Jewish population, who are almost entirely dependent upon it. Owing to the conditions described, prices have doubled and tripled, and the population has become irritated against the Jewish traders, whom it blames for the abnormal increase thus occasioned.

15. The great majority of Jews in Poland belong to separate Jewish political parties. The largest of these are the Orthodox, the Zionist, and the National. Since the Jews form separate political groups it is probable that some of the Polish discrimination against them is political rather than antisemitic in character. The dominant Polish parties give to their supporters government positions and government patronage. It is to be hoped, however, that the Polish majority will not follow this system in the case of positions which are not essentially political. There should be no discrimination in the choice of professors and teachers, nor in the selection of railroad employees, policemen and firemen, or the incumbents of any other positions which are placed under the civil service in England and the United States. Like other democracies, Poland must realize that these positions must not be drawn into politics. Efficiency can only be attained if the best men are employed, irrespective of party or religion.

16. The relations between the Jews and non-Jews will undoubtedly improve in a strong democratic Poland. To hasten this there should be reconciliation and cooperation between the 86% Christians and the 14% Jews. The 86% must realize that they can not present a solid front against their neighbors if one-seventh of the population is discontented, fear-stricken, and inactive. The minority must be encouraged to participate with their whole strength and influence in making Poland the great unified country that is required in Central Europe to combat the tremendous dangers that confront it. Poland must promptly develop its full strength, and by its conduct first merit and then receive the unstinted moral, financial, and economic support of all the world, which will insure the future success of the Republic.

17. It was impossible for the Mission, during the two months it was in Poland, to do more than acquaint itself with the general con-

dition of the people. To formulate a solution of the Jewish problem will necessitate a careful and broad study, not only of the economic condition of the Jews, but also of the exact requirements of Poland. These requirements will not be definitely known prior to the fixation of Polish boundaries, and the final regulation of Polish relations with Russia, with which the largest share of trade was previously conducted. It is recommended that the League of Nations, or the larger nations interested in this problem, send to Poland a Commission consisting of recognized industrial, educational, agricultural, economic, and vocational experts, which should remain there as long as necessary to examine the problem at its source.

18. This Commission should devise a plan by which the Jews in Poland can secure the same economic and social opportunities as are enjoyed by their coreligionists in other free countries. A new Polish constitution is now in the making. The generous scope of this national instrument has already been indicated by the special treaty with the Allied and Associated Powers, in which Poland has affirmed its fidelity to the principles of liberty and justice and the rights of minorities, and we may be certain that Poland will be faithful to its pledge, which is so conspicuously in harmony with the nation's best traditions. A new life will thus be opened to the Jews and it will be the task of the proposed Commission to fit them to profit thereby and to win the same appreciation gained by their coreligionists elsewhere as a valued asset to the Commonwealths in which they reside. The friends of the Jews in America, England, and elsewhere, who have already evinced such great interest in their welfare, will enthusiastically grasp the opportunity to cooperate in working out any good solution that such a Commission may propound. The fact that it may take one or two generations to reach the goal must not be discouraging.

19. All citizens of Poland should realize that they must live together. They can not be divorced from each other by force or by any court of law. When this idea is once thoroughly comprehended, every effort will necessarily be directed toward a better understanding and the amelioration of existing conditions, rather than toward augmenting antipathy and discontent. The Polish nation must see that its worst enemies are those who encourage this internal strife. A house divided against itself can not stand. There must be but one class of citizens in Poland, all members of which enjoy equal rights and render equal duties.

Respectfully submitted,

HENRY MORGENTHAU

[Enclosure 2]

Report of Gen. Edgar Jadwin, U.S.A., and Mr. Homer H. Johnson, of the Mission to Poland, to the Commission to Negotiate Peace

PARIS, *October 31, 1919.*

GENTLEMEN: 1. The Mission to Poland (consisting of Mr. Henry Morgenthau, Brigadier General Edgar Jadwin, and Mr. Homer H. Johnson) was named for the purpose of carrying out an investigation of questions touching the relations between the Jewish and the non-Jewish elements in the Republic. Accompanied by its working personnel, the Mission remained in Poland from July 13, 1919 to September 13, 1919, and visited the scenes of the most widely reported excesses, studied economic conditions in the local centers of production and distribution, consulted Polish statesmen and Jewish men of affairs, observed living conditions among the common people, associated with officers of the army, and, considering always the historical environment influencing the nature, aims, and disposition of the Polish nation, endeavored to arrive at a just understanding of the present relations between the component elements of the Republic. The Mission owes its thanks to General Pilsudski, the Chief of State, Mr. Paderewski, President of the Council of Ministers, and to the Polish authorities in general for the facilities contributed toward the execution of its task, and is also indebted to Mr. Hugh Gibson, American Minister to Poland, for his aid. In all localities visited, the Jewish communities extended to the Mission their full confidence and cooperation.

It should be borne in mind that most of the time of the Mission in Poland was taken up in the examination of complaints made by or in behalf of Jewish citizens of Poland, and that the material as to excesses is largely based on *ex parte* statements. While it was the original intention of the Mission to give the Polish Government an opportunity for detailed rebuttal, the relatively small extent of the excesses themselves, as compared with the larger elements contributing to antisemitism, and the importance of a remedy, seemed to make such rebuttal unnecessary. Within the boundaries of Congress Poland only 18 Jews lost their lives, while in the whole territory now controlled or occupied by the Polish Republic the grand total of deaths from excesses in which antisemitism was a factor has not exceeded 300.

We were able to arrive at our conclusions from the data furnished by Jewish sources, from answers to specific questions addressed to various Polish Ministries, from many conferences with other Polish citizens, and from utterances in the Polish press, and believe that those sources sufficiently disclosed the nature and causes of anti-Jewish disturbances without further pro-Polish evidence.

After the return of the Mission to Paris its members were unable to consult together on account of the absence of General Jadwin on other duty in southern Russia. Mr. Morgenthau, before leaving Paris, submitted a report representing his views of the situation, and the other members, in his absence, have prepared these considerations, which while differing but slightly from Mr. Morgenthau's, have been put in the form of a complete report as leading up to conclusions which differ from those of Mr. Morgenthau.

2. Polish opinion characterizes the traditional attitude of Poland toward the Jews as one of tolerance. When the Jews in Western Europe fell a prey to persecutions induced by the fresh wave of fanaticism incident to the Crusades, they migrated in large numbers to Poland as a place of refuge, where the Jewish communities received numerous special privileges, and possessed almost complete local government. This internal independence lasted until early in the 19th century, when it was finally so reduced as to apply to religious and educational matters only. The memory of former independence within the limits of the State plays a considerable role in the present aspirations of certain Jewish parties for autonomy with the right to receive and expend a *pro rata* part of State revenue. The traditional concentration of the Jews in their communities, due to the necessity of maintaining close connection with the synagogue, has given further impetus to the spirit of separatism and cleavage from the rest of the population, which aggravates the Jewish question at the moment. It is frequently alleged that even in the Middle Ages Jewish separatism, commercial competition, and acquisitiveness aroused a certain irritation among the Polish masses, which has persisted as an inherited prejudice to the present day.

With the accession of Nicholas I (1825), persecution of the Jews began with the official sanction of the Russian Empire, and continued until Nicholas was succeeded by Alexander II. In harmony with the latter's liberal policy, decrees were published in 1862 completely emancipating the Jews, but after the reaction from the insurrection of 1863, in which, at least in Warsaw, many Jews fought shoulder to shoulder with the Poles, these laws became a dead letter. Though frequently invoked as a proof of Polish tolerance, they have provided since that time no essential guarantees of Jewish rights. During the second half of the 19th century conditions in Poland were further complicated by the rigid enforcement of the Pale of Settlement. The original prohibition to settle outside the Pale had been so modified under Alexander II as to allow wealthy Jewish merchants, Jewish holders of university degrees, and Jewish artisans, to reside in the interior provinces of Russia. This concession was counterbalanced by the laws of May, 1882, forbidding Jews to re-

side in the country districts and small towns of the Pale, and crowding them into the cities where their coreligionists were already congested. At the same time, the expulsion of Jewish artisans from Moscow aggravated the abnormal concentration of this section. The result of these conditions was a sharpening of competition between Jew and non-Jew in the districts where both elements lived side by side. The lack of opportunity for the Jew to engage in production drove him into small trading, a business already overflowing and incapable of providing a livelihood for even a small number of newcomers. Even before the war, the mass of Polish Jewry had to struggle for their daily bread, and, in addition to commercial rivalry, popular resentment against them was further accentuated by their religious separatism and their differences in dress, dietary habits, and Sabbath observances.

3. To the basic factors of the present situation must be added the cross-currents of factional aspirations and international intrigue caused by the Great War. During the German occupation of Poland, the Germanic character of the Yiddish vernacular and the readiness of certain Jewish elements to enter into relations with the winning side, induced the enemy to employ Jews as agents for various purposes, and to grant the Jewish population not only exceptional protection, but also the promise of autonomy. It is alleged that the Jews were active in speculation in foodstuffs, which was encouraged by the armies of occupation with a view to facilitating export to Germany and Austria. Notwithstanding the patriotic attitude assumed by many prominent Jews, the number of Hebrews employed by the German forces, and occasional cases of denunciation by Jews added fuel to the flame of prejudice. A sensitive Polish nationalism has been resentful of any self-assertion from a minority whose very language recalls the heavy hand of the oppressor.

It is not merely for his alleged German sympathies that the Jew is regarded with antipathy, but also for his supposed relations with the Bolsheviks. The Polish masses and soldiery who have come in contact with Bolshevism class the Jews as its supporters, and at Pinsk, Lida and Wilno, where serious excesses occurred concurrently with military operations, their [*this?*] argument was in each case advanced by local military authorities in partial explanation of the occurrences. It is also often asserted that the chiefs of the Bolshevist movement in Russia are Jews of Poland or Lithuania and there is no doubt that they played a prominent part in the Bolshevik government of such cities as Wilno, Lida and Minsk before the capture of these cities by the Polish Army. The programme of the Jewish Socialists belonging to the Bund Party is also adduced as a proof of Jewish sympathy with the Bolsheviks, though since the Russian

revolution the Bund has allied itself with the moderate element (Mensheviki) among the Russian Socialists. It may be questioned whether undue arbitrary generalization has not been resorted to by elements hostile to the Jew in defining the Jewish political standpoint. It is no more fair to brand all Jews as Bolsheviks because some of them support the Soviets than to class all Poles as Jew-baiters because some of their military forces, or of their lawless civil elements, have occasionally been guilty of depredations and violence.

The alien sympathies attributed to the Jew vary with the racial problems in different sections of the country. Under the Austrian regime the situation of the Jews in Galicia had been favorable. But when the Hapsburg Monarchy crumbled, and the struggle broke out between Pole and Ukrainian for the possession of Lemberg and Eastern Galicia, the neutrality professed by a portion of the Jewish population resulted in increased hostility toward the Jew. The waiting game dictated at this juncture by the Jewish sense of expediency was interpreted by the Poles as Ukrainian partisanship. The disorders of November 21st to 23rd in Lemberg became, like the excesses in Lithuania, a weapon of foreign anti-Polish propaganda. The Press Bureau of the Central Powers, in whose interest it lay to discredit the Polish Republic before the world, permitted the publication of articles like that in the *Neue Freie Presse* of November 30th, 1918, in which an eye-witness estimated the number of victims between 2500 and 3000 although the extreme number furnished by the Local Jewish committee was 76.

As the result of the war, the natural depression of industry and commercial life has also become a peculiar incident of antisemitism. The use of the country as a battlefield by foreign armies, who requisitioned and plundered all available material, who [*sic*] made it difficult for the Jewish merchant, first, to secure goods with which to deal, and second, to charge other than high prices for them. When the merchant is able to secure a stock of goods the very fact that he has them in his possession, and that he is compelled to charge abnormal prices, tends to the popular conviction that he is a profiteer. The prevailing monetary insecurity also renders barter necessary and merchandising difficult, while the Jewish merchant, thus hampered in his business, is met by the increasing prejudice growing out of the abnormal conditions of war under which his trading must be carried on.

Some Poles have stated that the Jews permit a different standard of business deportment in dealings with non-Jews, and that they are thus, outside of passing conditions, responsible for existing prejudice. This is vigorously denied by the Jews. Furthermore the use of economic questions with racial attachments for political arguments

contributes to perpetuating an issue which, as a result of passing circumstances should disappear with renewed economic activity.

4. The modern Polish state consists, or may consist when its boundaries are fixed of five distinct sections: Congress Poland, Poznania, Galicia (Eastern and Western), and portions of Lithuania and White Russia, Minsk, Grodno, Volhynia, and part of Vitebsk. The proportion of Jews varies from less than 1% in the immediate vicinity of the Prussian boundary to 75% in the White Russian city of Pinsk. Out of 441 census divisions, there are about thirteen in which the Jews exceed 20% of the population. The old Russian provinces of Minsk and Volhynia have the largest percentage of Jewish inhabitants. In general, the percentage of Jews increases toward the eastward, and with the exception of Warsaw, Lodz and some smaller cities in Congress Poland, is largest in the region running northeast from Warsaw to Wilno, and in the district extending south from Minsk across the Prypec toward the Dniester River. This concentration is due to the Russian laws confining the Jews within the provinces making up the river systems of the Dnieper and the Niemen, and to the gradual eviction of the Jews from interior Russian cities into this so-called Pale of Settlement. Except in the cities, the proportion of Jews in Congress Poland does not exceed 10% of the population, and with the cities included about 15% is Jewish.

The percentage of Poles in Congress Poland, except in the cities where Jews have settled, rises [to] about 75%. West of Posen, toward the Prussian boundary, the proportion of Poles shades off to 25% and less. A fairly distinct belt of Polish speaking people extends north to Danzig and the edge of Pomerania. Owing to the extreme variations in the Russian census of 1897 and 1909 for Lithuania and the Ukraine, it is difficult to give accurate figures as to the Polish population east of the Bug River. In Lithuania, with the exception of Wilno and environs, the proportion of Poles nowhere passes 25%. In Wilno itself the Poles are variously estimated at 20% to 43%, with some present claims as high as 55%. In White Russia, on the contrary, the Polish population is extremely small, especially in the province of Minsk, where it does not exceed 10%, although the city of Minsk has about 25%. In western Galicia, centering about Cracow, the Poles reach 75%, while in eastern Galicia they share the territory about equally with the Ukrainians, though retaining considerable superiority in the city of Lemberg itself. There has been a distinct eastward drift to Polish emigration, so that Polish infiltrations appear as far east as Kiev and the Province of Mohilev. Owing to peculiar agrarian conditions, the Poles before the war held nearly half of all real estate in Lithuania and Ukraine.

It will thus be seen that the percentage of population in the various sections of what is now Poland, or what may be Poland, adds to the general complexity of the influences entering into the problem of antisemitism. Naturally the relations in the eastern districts now held by Poland are affected not only by the percentage of Jews, but by the small proportion of Polish inhabitants in these sections. The attitude of the various elements of the population and the play of sentiment as to the political future of the country further contribute to this puzzling complexity. In spite of considerable agitation, no serious difficulty exists in Posen, and even in Congress Poland, there is little disturbance of fundamental relations. But in view of the uncertainty as to whether the regions in the East are to be Polish, Russian, or independent, it is readily seen that the relation of the Jew to the eventual political disposition of these territories is still an irritating element. These same problems are to some extent inherent in every other country where the Jewish character and habits develop a racial solidarity, necessarily accompanied by an economic and social intermingling with the other elements of the population.

5. The Jewish situation is rendered more difficult by the efforts of certain malicious German influences to further their Eastern projects by discrediting Poland financially and otherwise. It is not to the interest of the German State to allow Poland to become a powerful and prosperous competitor, since Poland is more favorably situated to act as a center of exchange between Russia and the West. There are also conservative elements among Russian statesmen who are equally anxious to prevent foreign financial aid to Poland and are using criticism of the Polish State as a weapon to forestall the assistance of the Allied and Associated Powers. If Poland is to become a firmly established State, the needs of the Republic must be considered from the angle of Polish national aspirations and rights, and not simply on the basis of the purposes of its temporarily paralyzed neighbors to the East and West.

In common with all free governments of the world, Poland is faced with the danger of the political and international propaganda, to which the war has given rise. The coloring, the suppression, and the invention of news, the subornation of newspapers by many different methods, and the poisoning by secret influences of the instruments affecting public opinion, in short, all the methods of malevolent propaganda are a menace from which Poland is a notable sufferer. This applies to propaganda both at home and from abroad. While the Polish Press as a whole may not be charged with irresponsibility, it has in general gone to the extreme of political propriety, and many of its organs have passed far beyond that limit, to the great detriment of their country.

6. Poland is beset by the confusion of ideas and the degeneration of popular morale caused by decades of political tyranny and made acute by five years of war. For over one hundred years all sections of Poland have been ruled by despotisms of varying severity, and the people at large have been accustomed to identify the Government, not with the manifestation of majority opinion, but with personal rule by ukase and decree. The Jews suffer from the fact that the Polish Government, substituting popular government for despotic rule, lacks the will or the power to protect them, and have been ready to invoke external aid in order to exact from the Polish authorities protection of themselves not as a minority, but because of their racial allegiance. Some representatives of the Jewish national movement who have been conspicuously active refuse to subordinate the Jewish question to the general needs of the Polish State. The fault in this regard does not lie entirely on the Jewish side, since the question once raised was eagerly picked up by the National Democratic Party. The voluntary separation of the Jew from purely Polish interests has led, in localities where other problems of nationality exist, to arbitrary identification of the Jews with anti-Polish elements. So long as nationality is an issue, the Jew who does not declare himself Polish is regarded as the ally of any visible alien factor. On the other hand, in view of the uncertainty of the final disposition of White Russia, Lithuania, and Galicia, the difficulties besetting the Jews in these regions have been undeniably very great. Yet, since the Jews are enjoying the protection of the growing Polish State, the Poles claim that they owe active personal support to the Government that ensures them liberty and commercial opportunity. The numerical inferiority of the Jews in what is undeniably Poland has at the same time proved no check to their political assertiveness. The opportunity to profit by an occasional balance of power claimed to excuse the maintenance of a Jewish national party does not appear to justify perpetuating so great an irritation and such a separation of the Jews from the customary divisions of modern politics.

We may here refer with propriety to the report of the Inter-Allied Commission on Poland, of which Professor R. H. Lord and General Kernan were the American members, and to whose statements on the Polish problem it is desired to invite special attention. The account of the Jewish parties supplied by the Italian member of that Commission has been found very helpful and substantially accurate. He invited the most important parties to submit any extensions or corrections which they desired to make, but no further information was supplied. As hereafter appears, most of the questions raised and of the suggestions made in the Report on Poland

have been met, in our judgment, by the free acceptance of the Minorities Treaty by the Polish Government and people.

We have, however, found some evidence of a disposition both in Poland and abroad to keep alive the controversy on the possible theory that focusing attention upon Poland will promote better treatment of the Jew. We feel that this doctrine of controversialism is founded on extremely dubious grounds, and that there should be no Jewish problem, aside from the general responsibility to the fundamental provisions which the Poles have agreed shall become part of their policy toward minorities. The ideal should be to have one and only one class of citizens politically with complete freedom in religious matters.

7. The question of popular education presents some possible difficulty. From American experience, it is concluded that the public school, with universal instruction in the national vernacular, is one of the strongest forces toward the creation of a homogeneous body of citizens, speaking one language and expressing themselves on the basis of a common complex of social and political notions however much they differ on religious and cultural questions. In order that the Jew may fully enjoy his privileges and faithfully fulfill his obligations as a citizen, he must understand them in the same sense as his Polish neighbor. It is by means of public schools that Poland will lose its approximate 85% of illiterates, and teach its people not only common school subjects, but also the great principles of liberty and the rights of man, and by raising the level of popular knowledge arrive at a point where it can draw its State officials from the people at large, who will, by association in their school years, have acquired a common understanding impervious to propaganda or prejudice. While, therefore, the adoption of the treaty was essential to the integrity of Poland, it will in carrying out the educational paragraphs be well for Poles and Jews to keep in mind American experience in public school development, and carefully to weigh the question, whether the permanency of the separate school plan will be advisable.

8. As to specific cases of violence leading to loss of life we invite attention to Article 6 of Mr. Morgenthau's report, where the main facts are stated. Some additional considerations must be further recorded and especially that the excesses mostly took place either when the Republic was in process of organization or under the stress of military operations. For example, the outbreak in Kielce occurred on the day of the Armistice, Nov. 11, 1918. A Jewish meeting called in support of Jewish nationalism, which was easily rumored to be in opposition to Polish national independence, was broken up with fatal results to four people and injury to many others just after the city had been evacuated by the Austrian troops

and before any Polish authorities existed to organize a service of security. At Lemberg while the outbreaks occurred a little later, Nov. 21–23, 1918, it was at the end of hostilities between the Polish and Ukrainian elements of the population.

The Pinsk outrage, April 5, 1919, was 30 days after the capture of the town from the Bolsheviks by the Poles, but was a purely military affair. The town commander with judgment unbalanced by fear of a Bolshevik uprising of which he had been forewarned by two Jewish soldier informers sought to terrorize the Jewish population (about 75% of the whole) by the execution of 35 Jewish citizens without investigation or trial, by imprisoning and beating others and by wholesale threats against all Jews. No share in this action can be attributed to any military official higher up, to any of the Polish civil officials, or to the few Poles resident in that district of White Russia.

The Czestochowa riots on May 27, 1919, while based on the supposed shooting of a Polish soldier by a Jew was not connected with a military operation and occurred after both military and civil government had been established. Only after five deaths was the outbreak arrested. These five deaths are the only fatalities from mob violence in Congress Poland discovered or reported to us since the establishment of a stable government in the Republic.

The military operations of the Polish army in the taking of Lida (April 17, 1919) of Wilno (April 21, 1919) and of Minsk (Aug. 8, 1919) in consideration of the facts of its organization, that it was still poorly organized, unequipped, under-officered and undisciplined would not have been so noticeably irregular even though civilian deaths were considerable and robberies large, except for the fact that those killed and robbed were practically all Jews. Nor is it explained by the fact that most of the shops in those cities were Jewish. The fact that there were some non-Jewish establishments and that none of them were disturbed shows an intelligent and intentional discrimination on the part of the lawless element in the army disclosing a racial antipathy made more patent by the desire to rob and pillage, which was apparently felt not to be wrong or at least not to be severely punished by superiors. In Wilno there was active street fighting for three days, and while the army lost 33 the civilian loss was 65. But the civilians were all Jews and many others were thereafter deported and subject to hardships which it is hard to justify by military practice. In support of the conviction that there had been active sympathy with the Bolsheviks by Jews and sniping by them during the street fighting we had many statements of eye witnesses presented to us. There can be no doubt that

in a highly charged atmosphere there was quite enough fault on both sides to explain the adherence to the every-day practices of Russian civil warfare, as it is reported to us in this almost civil strife on Russian territory. No one would attempt to justify it. General Jadwin was present at the taking of Minsk and a personal witness to the strenuous efforts of the military authorities toward preventing acts of violence. The results showed definite progress among the military in the discipline of the army in the conception of their duty toward the civilian population and in their ability to carry it out. Proportionately to the population only about 20% as many were killed as at Wilno. A large percentage of those were in the suburbs and out of reach of the military patrols in the city. Part of those in the town were the result of bystanders' statements that shots directed at the entering troops had come from a certain meeting-house in which Jews had congregated and five of them were killed. Reported Bolshevik activity and sniping with the desire to rob explain most of the cases except the reprehensible unbalanced conduct of one petty officer who killed nine. Many of the offenders were arrested and six of them were sentenced to be shot.

Following the Minsk experience, improvement was made in the technique of handling patrols so that further reports from Rowno and Bobruisk subsequently captured by the Poles indicate more successful precautions against maltreatment of the Jewish population.

In practically all of these cases inquiries have been regularly undertaken by the military authorities by the civil government of Poland, and in several by direct Diet committees. The local civil authorities have also followed the usual processes of criminal inquiry and the cases are in various stages of development. In several the inquiry has been followed by the appropriation of damages to those who have suffered loss.

Payments had begun to be made in Wilno, Pinsk, and Lemberg before our departure from Poland. If complaints as to slowness and uncertainty of military and government punishment and relief were heard as they were it seemed nevertheless to indicate that orderly process of government was in operation. With a state of war in the land and the many vexing problems incident to Poland's situation, we could not find substantial ground of criticism of the methods of prevention and relief for an altogether unhappy situation. Patience and forbearance must be administered to all sides of the question, with honest effort to recover their war-torn country as soon as possible. It will be a difficult matter to reassure the citizens of Poland that the outside world will be as prompt and efficient in doing its duty—to make the world safe for Poland and all other struggling democracies.

9. We are of the opinion, in view of the previous training of the Polish soldiery in the German, Austrian and Russian armies, the eastern low valuation of human life, the want of food and clothing which had accompanied the breaking up of the Central Powers, and the universal tenseness of popular nerves worn by the vicissitudes of war, that the antagonism felt by the Polish military toward the Jews and resulting in depredation and violence against them is not a matter of surprise, reprehensible and regrettable as it is. The habits of military warfare still obtaining in the civil war in Russia, and these military excesses in Poland, aggravated as they were by civilian mobs, thoroughly justified the fear and anxiety expressed by many Jews lest the Poles had adopted Czarist and Bolshevik precedents of solving any question, including that of Jewish prejudice, by a process of terror and extermination. It is to the credit of the Polish State that it has apparently passed through this crisis of organization, though still under the baneful influence of active warfare, without realizing this sinister expectation. We were assured by many representative Jewish delegations that while they were disturbed by the anti-Jewish feeling still inconveniently and unjustly exhibited, they did not fear for their lives or liberty; that they recognize their full duty as Polish citizens with all the responsibilities and privileges that pertain thereto; that all citizens are subject to the rule of the majority in which any minority must acquiesce, and that the only remedy beyond this is the appeal to the conscience of the majority and its sense of justice and fair play. This uniting in the making, ratification, and execution of this treaty, with its appeal to the League of Nations, is a credit to Jew and non-Jew alike, and barring the accident of an outside conflagration, is the best of auguries for Poland's future success.

10. While it is our opinion that a return to normal conditions in Poland will remove most of the danger of the Jewish question, it is recognized that this process of restoration is not solely dependent on the goodwill and exertions of the Poles themselves. The attention of Poland must be diverted from waging war, and the only means toward this end is the reestablishment of internal peace in Russia. Until this result is obtained, Poland remains with boundaries undetermined, forced to hold and administer a large territory, the inhabitants of which as yet have no fixed nationality. As long as Poland wages war the Republic is a prey to militaristic methods and open to the peril of direct action. Until its army is reduced to a peace footing, the problem of overpopulation and underemployment cannot be solved. While a third of the meager income of the State is expended for military purposes, adequate attention cannot be devoted to internal reconstruction. Until Russia is at peace, Poland lacks her full field for trade and exchange, and therefore cannot regain her

economic equilibrium, while an opportunity for emigration to an open and liberal Russia would provide an outlet for the surplus population of the Republic. With a stable Government in Russia firmly allied in principle with the Allied and Associated Powers, an end would be made to the German intrigue that is seeking to substitute Russia for Austria-Hungary as a field of exploitation and accordingly strives to discredit Poland as a dangerous competitor. In fact protection afforded minorities such as before us in this investigation may well bring up the Russian condition where this problem is the protection of the majority against a minority based on a difference in social philosophy and wielding power by seizure of the instruments of war and by the use of most elementary forms of force and fear. Is not the duty of the nations as clear to determine the rule of the majority against despotism whether one or many, thus preserving domestic tranquility as well as freedom from foreign invasion? Is not the effect of domestic disorder in Russia upon Poland and upon the Peace of the World quite as important a subject for regulation by the Nations as in [*is?*] the limitation upon the majority's treatment of minorities? Is not the solidarity of Nations shown quite as much by one as the other and are they not both requisite for future peace? The foundation of an enduring government in Russia depends on the certainty that no minority, whether autocratic or Bolshevistic, shall ever be able to exploit the inertia of the masses in overthrowing any system of democracy that may be established within its boundaries. It is to the interest of the world that this internal security shall be perpetuated, and the rise of a powerful democracy on the eastern frontier of Poland will insure the safety and freedom of action of the Republic. In short, once the military threat against Poland is removed and the territorial uncertainty of the Republic is ended, the nation will be able to concentrate its energies on internal problems, and, by the course of natural development, create a governmental system insuring equality, protection, and prosperity to all elements of its population. The Mission thoroughly believes that Poland has the raw materials of citizenship quite equal to this accomplishment.

11. By way of summary, we find that beginning with the armistice, about November 11, 1918, and for six months and more during the establishment of orderly government in Poland, many regrettable incidents took place throughout both Congress Poland and the regions the future of which is still in doubt. The occurrence[s] in Congress Poland were not so serious in number of deaths, but there have been violent collisions accompanied by riots, beatings, and other assaults which are apparently traceable in large part to anti-Jewish prejudice. In every case they have been repressed by either the military or the civil authorities, but only after grievous results. In the territory

occupied or invaded by Polish troops, civilian mobs have followed the soldiery, and the two elements have engaged in robbery of shops and dwellings, and in cases where resistance was offered, in assaulting and killing the owners or occupants. The circumstances of some of these incidents have been aggravated by intoxication due to the looting of liquor stores, with the usual adjuncts of criminal irresponsibility and mob rage. We believe that none of these excesses were instigated or approved by any responsible governmental authority, civil or military. We find, on the other hand, that the history and the attitude of the Jews, complicated by abnormal economic and political conditions produced by the war, have fed the flame of antisemitism at a critical moment. It is believed, however, that the gradual amelioration of conditions during the last eleven months gives great promise for the future of the Polish Republic as a stable democracy.

12. In spite of the existing antisemitism arising from very diverse factors we are convinced that religious differences as such play therein a relatively slight role, and that the Polish nation is disposed to religious tolerance and self-control in religious disagreements. The ending of the war, the removal of external menace, and the revival of industry will reduce the present common irritation caused by abnormal conditions.

Jewish business men have also assured us that with the restoration of trade, industry, and banking, the Poles will cease to employ economic pressure as a political weapon.

13. In addition to the disposition toward tolerance evinced in the presence of violent party controversy and active propaganda from abroad, Poland has accepted the Minorities Clause of the Treaty of Versailles, guaranteeing to all citizens security of life and property and equal protection of the laws. Despite dissatisfaction with some stipulations of this Treaty, a determination has been expressed by prominent leaders of even the extremes in all political camps to execute it faithfully.

14. The duties of the outside world toward Poland are:

(*a*) To establish the territorial extent of the Polish State. Should any of the eastern country which contains the largest proportion of Jews, revert to Russia, the problem thus transferred can be dealt with by the League of Nations.

(*b*) To protect Poland from the menace of external interference by the application of Article 10 of the Covenant of the League of Nations.

(*c*) To further by means of judiciously administered external help the recovery of Poland from five years of war. This material aid, in the nature of food, clothing, and raw materials, should not be gratuitously furnished or so distributed as to overtax the national

credit or to pauperize the population. In accordance with President Wilson's speech of January 8, 1918,[35] Poland should be freed from the limitation of all economic barriers and raised to a position where it can profit by the equality of trade conditions to be established among nations. Since no country can be a good financial risk without domestic tranquility and freedom from invasion, the fear of which may lead to over-expenditure and competitive armament, this security should be provided for the good of Poland and the peace of the world. While we are convinced that Poland will abide by its obligations to preserve order at home, the protection against external interference is the duty of the League of Nations. With political security, industrial peace, and an open market with no foreign debt not offset by foreign receivables, Poland, safeguarded by the League of Nations and abundantly provided as she is with natural assets in property and man-power, becomes an excellent commercial risk for foreign capital.

(*d*) To study the question of over-population or under-industrialization, not at all local to Poland, but intimately connected with its future. It is not healthy for Poland to pursue a policy of summer emigration to other countries, nor is it desirable that it should be continue [*sic*] a heavy emigration to America and elsewhere. It is a process from which the nation is still suffering, since it tends to take the strong and leave the less reliant. Furthermore, with the present development of the world, and the beginning of new thoughts in the development of nationalism, if emigration from Poland is to be necessary, the question as to whither and under what conditions it shall be directed becomes peculiarly subject to international solution.

If Poland by her own initiative, or through outside aid, can so speed up and direct her industrial policy as to absorb the potential labor supply, the Republic may solve the question under new conditions of political and economic freedom.

(*e*) To further the rapid development of Polish education. The safety of the masses from exploitation through the sophistries of monarchism or of anarchism depends on the degree of enlightenment they possess. It is therefore to the advantage of the League of Nations to see instituted a campaign of universal education toward a general understanding of the great ideals of democracy and for the protection of peoples against the agitator or the reactionary who deals in slogans that appeal to any populace untrained to estimate them at their proper value.

(*f*) To guarantee to Poland the disinterested counsel of the Allied Democracies based on their previous experience. Together with the

[35] *Foreign Relations*, 1918, Supplement 1, vol. I, p. 12.

other free peoples of the world, Poland must henceforth grapple not only with abuses of the outworn autocratic system, but with political corruption, graft, party degeneracy, and yellow journalism joined with paid propaganda. The opportunity of the League of Nations for the comparative study of democratic methods and policies, reinforced by common aims, by the full development of international feeling, and the free exchange of free ideas, will react not only upon Poland but to the general advantage of the entire world. The greatest need at this crisis is the domestic and international application of general principles of democratic government tested by use and beaten out on the anvil of experience. Its highest and broadest attribute is that force shall give way to thought—the rule of reason rather than the reign of terror.

Respectfully submitted,

EDGAR JADWIN
Brig. Gen., U.S.A.

HOMER H. JOHNSON

SALVADOR

EARTHQUAKE OF APRIL 28, 1919—ASSISTANCE OF THE AMERICAN RED CROSS

816.48/74 : Telegram

The Chargé in Salvador (Arnold) to the Acting Secretary of State

SAN SALVADOR, *April 28, 1919, 5 a.m.*
[*Received 3.42 p.m.*]

Very severe earthquake occurred at 1 a.m. this morning. Reported 20 deaths and many injured. Damage to property not as great as in former earthquake. Legation damaged but still standing. All Americans safe. Small shocks continue.

ARNOLD

816.48/75 : Telegram

The Chargé in Salvador (Arnold) to the Acting Secretary of State

SAN SALVADOR, *April 28, 1919, 5 p.m.*
[*Received April 29, 12.30 a.m.*]

Martial law declared today. Damage much greater than first anticipated. Number of deaths at present reported 40 persons. Notify Weinberg's parents Washington he is safe.

ARNOLD

816.48/76 : Telegram

The Chargé in Salvador (Arnold) to the Acting Secretary of State

SAN SALVADOR, *April 29, 1919.*
[*Received 7.20 p.m.*]

President of Salvador Red Cross requests aid of 100 tents from American Red Cross to house the homeless.

ARNOLD

816.48/74 : Telegram

The Acting Secretary of State to the Chargé in Salvador (Arnold)

WASHINGTON, *April 30, 1919.*

Your April 28, and April 29. Express appropriately to Salvadorean Government deep sympathy and regret of Government and

people of United States on account of earthquake and hope that loss of life may not be as great as reported. American Red Cross advised of request for 100 tents.

PHILLIPS

816.48/79 : Telegram

The Acting Secretary of State to the Chargé in Guatemala (Thurston)

WASHINGTON, *May 2, 1919.*

President of Salvadoran Red Cross requests American Red Cross to provide 100 tents to shelter those made homeless by recent earthquake. Ascertain from American Red Cross or other sources what tents, if any, at Guatemala City are in suitable condition and available for relief purposes at San Salvador. Inform Amlegation, San Salvador and act upon its advice. American Red Cross will pay expenses. Cable Department full particulars.

PHILLIPS

816.48/83

The Chargé in Salvador (Arnold) to the Acting Secretary of State

No. 438 SAN SALVADOR, *May 2, 1919.*
[*Received May 17.*]

SIR: I have the honor to report that on Monday morning, April 28th, at 14 minutes to one, occurred the most violent earthquake which has been registered in El Salvador. The earthquake was more severe than that of June 7th, 1917 and was of a rotary movement like all the former shocks which have brought ruin to this country.

It is the general opinion that the earthquake had its origin in the lake of Ilopango where according to tradition have originated most of the seismic disturbances which have many times brought ruin to San Salvador. The villages of Soyapango and Ilopango which lie in the near vicinity of the lake have been entirely destroyed.

Unlike the former earthquake of 1917, there were no slight shocks to warn the people but occurred with all its intensity in the first quake, thereby resulting in many fatalities. Over seventy deaths have been reported and hundreds of injured, the results of falling walls and furniture.

The earthquake was almost local in character affecting almost entirely San Salvador, Santa Tecla being but eleven miles from the Capital experienced but a slight quake.

Practically all the houses in San Salvador were damaged. On account of most of the central buildings having been rebuilt since the last earthquake in 1917, many having [been?] but recently completed, there are not so many total ruins to be seen, but nearly all show evidence of cracks and denudation of plaster. The damage to the interior of the buildings is much greater than in the previous one and property which was spared then was entirely destroyed in this quake. The mercantile houses have suffered greatly and in some cases the loss being almost complete.

In the outlying districts or *barrios* among the poorer dwellings the destruction has been total and thousands of people are homeless. All the houses that withstood the last earthquake collapsed and most of the rebuilt buildings, having been cheaply erected are in ruins.

The Legation was damaged, one side having sunk almost a foot. All the bookcases have been broken and some entirely demolished. The safes were overturned and everything was in general confusion. All the plaster left from the last earthquake fell. By the clearing of the debris and making absolutely necessary repairs it can still be used as a Legation.

The parks and open squares are filled with the homeless. The weather has been mild and no rain has fallen since the catastrophe. This has been a great consolation for the homeless as they were spared the great hardship and suffering caused by the torrential weather during the last earthquake. Practically the whole of San Salvador has been living out of doors as the quakes continue with much less severity.

The aid for the victims has been placed in the hands of the Salvadorian Red Cross and Dr. Yudice, the president of the organization, called at the Legation to request that aid be given by the American Red Cross in supplying one hundred tents, which request I cabled to the Department.

I have [etc.] FRANK D. ARNOLD

816.48/80 : Telegram

The Chargé in Guatemala (Thurston) to the Acting Secretary of State

GUATEMALA, *May 9, 1919, 5 p.m.*
[*Received May 11, 6.30 a.m.*]

Department's May 2nd. All tents sent to Guatemala last year returned to United States with the exception of 499 which were turned over to the Guatemalan Government.

At the suggestion of local chapter Red Cross I requested 100 of these tents for use in Salvador and received an order for them. They were found to be utterly unfit for service having been ruined by last rainy season. Have informed the Legation at Salvador no tents available here.

THURSTON

816.48/85

The Chargé in Salvador (Arnold) to the Acting Secretary of State

No. 442 SAN SALVADOR, *May 9, 1919.*
[*Received May 22.*]

SIR: I have the honor to report that the damage done by the recent earthquake of April 28th is much greater than anticipated, especially in the outlying sections of the city where whole squares of buildings are raised [*sic*] to the ground. The number of homeless is very large and as the rainy season is approaching, means must be found to give them shelter.

The Red Cross has been reorganized and is working hard to meet the situation. Public kitchens have been organized throughout the city and hundreds are daily being treated at the various dispensaries which have been opened in the different districts. The frame building erected by Minister Long during the last earthquake is one of the Red Cross centers at present.

Lake Ilopango is being drained, as the center of the seismic disturbances is supposed to be located there. It is an old Indian superstition recorded by the *conquistadores* that the waters of this Lake should not exceed a certain level and until the time of the Presidency of Don Carlos Melendez it had been adhered to. For six years this has not been done and the waters were rising to such a height as to inundate the surrounding country. The people have repeatedly petitioned to the President to have the water removed but without success. President George Melendez immediately after the recent earthquake began operation and in a few days the water will resume its usual height.

The Guatemalan Government donated $10,000. towards the relief of the sufferers and are sending a commission of three to express the condolences of the Government and People of Guatemala. Honduras has also donated $10,000. to aid in the relief work.

Various organizations are being organized among the leading citizens of the country whose object is to secure funds, to aid in relief work and kirmesses are being formed for the same purpose.

The hundred tents which are expected from the American Red Cross in Guatemala will be a good aid toward relieving the sufferings of many of the homeless victims.

I have [etc.] FRANK D. ARNOLD

816.48/84 : Telegram

The Acting Secretary of State to the Chargé in Salvador (Arnold)

WASHINGTON, *May 23, 1919, 1 p.m.*

Complying request contained telegram received May 5 [1] American Red Cross has obtained on Canal Zone 200 tents to be shipped you as shelter for earthquake sufferers. Samuel W. Heald Red Cross Representative Canal Zone will telegraph you full particulars. Red Cross requests you act as its Special Representative and be responsible for arrangements for reasonable care and return of tents. Red Cross responsible for payment to Government for tents lost or damaged. Answer.

POLK

816.48/87 : Telegram

The Chargé in Salvador (Arnold) to the Acting Secretary of State

SAN SALVADOR, *May 25, 1919, 10 a.m.*
[*Received 6.35 p.m.*]

Department's May 23, 1 p.m. Arrangements have been made with Mr. Hall, chairman of the Canal Zone chapter, for receipt of tents, Salvadorean Red Cross guarantees their protection as far as possible and their return. Distribution of tents will be made by Salvadorean Red Cross with Mr. Olcovich, an American citizen, one of the directors.

ARNOLD

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

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[1] Not printed.

SPAIN

AGREEMENT BETWEEN THE UNITED STATES AND SPAIN EXTENDING THE DURATION OF THE ARBITRATION CONVENTION OF APRIL 20, 1908[1]

711.5212/21

The Spanish Ambassador (Riaño) to the Acting Secretary of State

[Translation]

No. 76 WASHINGTON, *January 29, 1919.*

MR. SECRETARY: By order of my Government I have the honor to apply to your Excellency and to propose the renewal for another term of five years of the Arbitration Convention between Spain and the United States signed April 20, 1908 and extended on May 29, 1913,[2] the extension having been ratified by the American Senate on the 21st of February 1914, by the President of this Republic on March 9, of that year, and by the Spanish Government on the 2nd of the same month of the same year.

The ratifications were exchanged at Washington on March 21, 1914, and the Convention was proclaimed on the 23rd of the same month of that year.

I beg your Excellency kindly to favor me with an answer as soon as the proposition offered through me by the Government of His Majesty is taken up by the Government of the United States, and thanking you in advance therefor, I avail myself [etc.]

JUAN RIAÑO

711.5212/21

The Acting Secretary of State to the Spanish Ambassador (Riaño)

WASHINGTON, *February 6, 1919.*

EXCELLENCY: I have the honor to acknowledge the receipt of your note No. 76, of the 29th ultimo, proposing in the name of your Government the renewal for another term of five years the Arbitration Convention signed between the United States and Spain on April 20, 1908, and extended on May 29, 1913.

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[1] For text of convention, see *Foreign Relations*, 1908, p. 721.
[2] Agreement of May 29, 1913, *Foreign Relations*, 1914, p. 1081.

There is enclosed herewith a draft [3] of an agreement for that purpose which, if you will supply the Department with the Spanish equivalent thereof, will be promptly put in shape for signature.

Accept [etc.] FRANK L. POLK

Treaty Series No. 644

Agreement between the United States of America and Spain, Signed at Washington, March 8, 1919 [4]

The Government of the United States of America and the Government of His Majesty the King of Spain, being desirous of extending for another five years the period during which the Arbitration Convention concluded between them on April 20, 1908, extended by the agreement concluded between the two Governments on May 29, 1913, shall remain in force, have authorized the undersigned, to wit:

The Honorable Frank L. Polk, Acting Secretary of State of the United States, and

His Excellency, Señor Don Juan Riaño y Gayangos, Chamberlain to His Majesty the King of Spain, Ambassador Extraordinary and Plenipotentiary of His Majesty at Washington,

To conclude the following agreement:

ARTICLE I

The Convention of Arbitration of April 20, 1908, between the Government of the United States of America and the Government of His Majesty the King of Spain, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications of the said Convention on June 2, 1908, which period, by the agreement of May 29, 1913, between the two Governments was extended for five years from June 2, 1913, is hereby renewed and continued in force for a further period of five years from June 2, 1918.

ARTICLE II

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the Government of His Majesty, the King of Spain, in accordance with its Constitution and laws, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

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[3] Not printed; substantially the same as the final text, *infra*.

[4] In English and Spanish; Spanish text not printed. Ratification advised by the Senate, July 17, 1919; ratified by the President, July 29; ratified by Spain, Aug. 5; ratifications exchanged at Washington, Oct. 14; proclaimed Oct. 15.

Done in duplicate, in the English and Spanish languages, at Washington, this eighth day of March, one thousand nine hundred and nineteen.

[SEAL] FRANK L. POLK
[SEAL] JUAN RIAÑO Y GAYANGOS

WITHDRAWAL OF DENUNCIATION OF TREATY OF JULY 3, 1902, EXCEPT AS TO ARTICLES 23 AND 24, TERMINATED AS OF JULY 1, 1916—UNDERSTANDING WITH RESPECT TO SPANISH TRANSPORT TAXES AND AMERICAN INCOME TAX

(See volume I, pages 54 ff.)

SWEDEN

TERMINATION OF THE TREATY OF JULY 4, 1827, ON FEBRUARY 4, 1919; CONTINUANCE OF THE CONVENTION OF JUNE 1, 1910

(See volume I, pages 67 ff.)

TURKEY

APPOINTMENT OF AN AMERICAN COMMISSIONER, NOVEMBER 30, 1918—REOPENING OF CONSULATES—APPOINTMENT OF A HIGH COMMISSIONER, AUGUST 12, 1919

123H35/52a : Telegram

The Secretary of State to the Minister in Switzerland (Stovall)

WASHINGTON, *November 30, 1918, 3 p.m.*

3435. For Lewis Heck

You are instructed to return at once to Constantinople, with rank of Commissioner, and keep Department and Embassy Paris informed on conditions. Diplomatic affairs United States will remain in hands Swedish Legation.

LANSING

123H35/57c

The Acting Secretary of State to the Secretary of the Navy (Daniels)

WASHINGTON, *December 27, 1918.*

SIR: In confirmation of a communication by telephone of December 12th, I have the honor to inform you that diplomatic relations between the United States and Turkey will not be renewed at present. Lewis Heck, Esquire, the Turkish Secretary of the American Embassy at Constantinople, however, has been instructed to return immediately to Constantinople, with rank of Commissioner.

The Department of State endorses the view expressed in Admiral Benson's recent telegram [1] that a station ship should be maintained at Constantinople and that a naval officer of rank should be sent there.

I have [etc.] FRANK L. POLK

123H35/60a : Telegram

The Acting Secretary of State to the Commissioner at Constantinople (Heck)

WASHINGTON, *January 21, 1919, 7 p.m.*

2. In instructing you to return to Constantinople in capacity of Commissioner, Department merely desired to have official repre-

[1] Not found in Department files.

sentative stationed at Constantinople from whom it could receive information of interest and importance. Inasmuch as Swedish Legation continues to handle diplomatic affairs of this Government, it is not necessary that you should have at present any official relations with Turkish Government. It is highly important that you maintain friendly and intimate relations with the representatives of the Allied countries in Constantinople and cooperate with them generally. While you will do for American citizens everything compatible with present instructions your chief mission consists in keeping Department and Embassy at Paris fully informed of conditions in Turkey; political conditions in general, present attitude of Turkish Government towards Americans and American institutions and towards naturalized citizens of Ottoman origin; the relations of the several Allied representatives, the aspirations of foreign governments in Turkey, military, economic and financial situations, conditions of travel, etc. You should bear in mind that your mission is not identical with the Allied High Commissioners sent to Constantinople by the Governments at war with Turkey.

Rear Admiral Bristol is proceeding from England to Constantinople as senior American Naval officer. He will take precedence over you in rank.

POLK

123R19/130a : Telegram

The Acting Secretary of State to the Consul General at Nantes (Ravndal)

WASHINGTON, *March 5, 1919, 6 p.m.*

Proceed Constantinople early as practicable for purpose reestablishing Consulate General. Consuls Chesbrough, Morris and George Young also ordered Constantinople. Moorhead ordered Nantes to take charge Consulate. Allen should remain Nantes three or four weeks until Moorhead familiar with duties and should then proceed to Constantinople. You and other consular officers are sent in a purely consular capacity without exequatur subject to permission to act being granted by the *de facto* authorities in control and with the express understanding that your resumption of duties with regard to American commerce should have no political significance or be regarded as a recognition of the rightfulness of control of such local authorities. You will confine your work strictly to consular duties. Heck will remain in charge of political matters in Constantinople. Jackson being ordered Aleppo under similar instructions and Glazebrook now *enroute* Jerusalem.

POLK

123R19/138 : Telegram

The Acting Secretary of State to the Commissioner at Constantinople (Ravndal)

WASHINGTON, *May 3, 1919, noon.*

90. Heck's 136 April 3, noon and 140 April 5, 3 p.m. also unsigned telegram 154 April 15, 4 p.m. presumably from you.[2] You will assume title of American Commissioner at Constantinople and perform official duties performed by Heck, besides yours as enumerated in previous instructions. This instruction is given in order to avoid creation of impression that this Government has changed its policy in Near East by not sending a Commissioner to Constantinople to succeed Heck, and also to improve your position with relation to Allied representatives and Americans in that country. You will follow instructions sent to Heck in my No. 2 January 21, 7 p.m. You may if you deem it advisable use Chesbrough to assist you in your duties of a political character.

You will bear in mind that the rupture of diplomatic relations between the Turkish Government and the United States still continues, and that you are not a diplomatic officer accredited to Turkey. You will therefore avoid all acts which may convey the idea that your presence or that of other American officials in Turkey means a resumption of diplomatic relations.

Department approves of your suggestions concerning Morris, Allen and Young, but considers it preferable that for the present Heizer remain at Bagdad.

POLK

123B773/1b : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *August 12, 1919, 8 p.m.*

2809. The President has decided to appoint Admiral Bristol High Commissioner at Constantinople. Any instructions sent to him from Washington will be communicated through the Navy Department. Any instructions sent to him from the American Mission should be sent through Admiral Knapp. It is the understanding with the Navy Department that he will be immediately under the direction of the Department of State in all matters political, but it will be necessary for the Navy to know what instructions may be sent him in order that they will not be inconsistent with any instructions Navy might send him. I am instructing the American Commissioner at Constantinople to report to Admiral Bristol and to consider him-

[2] None printed.

self as under his general supervision and direction. Similar instructions should be sent by you to any officials who may be there under your direction.

LANSING

REOPENING OF TRADE, FEBRUARY 17, 1919

600.119/2170 : Telegram

The Ambassador in France (Sharp) to the Acting Secretary of State

PARIS, *February 8, 1919, 11 p.m.*
[*Received February 9, 12.36 a.m.*]

7119. [For] War Trade Board:

"Number 906. The following resolutions were adopted at the meeting of the Supreme Blockade Council held February 6th.

(1) It was decided in accordance with the ideas expressed by General Franchet d'Esperey last February, trade restrictions with Czecho-Slovakia should be abolished; that notice to this effect should be given on February 8th, to take effect forthwith. The condition by [*conditions of?*] the abolition of these restrictions should be the same as those announced as regards Servia and Roumania on February 4th.

(2) It was decided, subject to the approval of the Supreme War Council, to abolish trade restrictions with Bulgaria, Turkey, Asia Minor and the ports on the Black Sea at an early date, if possible February 15th next.

(3) With a view of maintaining the blockade against Germany, Austro-Germany and Hungary, which is still considered necessary by the Allied High Command, in above mentioned Allied [*sic*] countries, Czecho-Slovakia, Servia and Roumania, should be requested to take measures similar to those taken by the Associated Governments to prevent exportation from these countries to enemy countries (all exportation thereto to be forbidden, examination to prevent contraband etc.).

(4) Concerning ex-enemy countries, Turkey and Bulgaria, the abolition of trade restrictions shall not be authorized except on condition that the Governments of these countries take similar measures, the supervision of the execution of which shall be in the hands of representatives of the Associated Governments, [at] Constantinople and Sofia.

(5) Trading between the above mentioned five countries [and] south eastern Europe shall be entirely free.

(6) The Supreme War Council shall be asked to declare if it approves of the above mentioned abolition of restrictions with Turkey and Bulgaria on the conditions indicated and whether the necessary steps can be effected in time, so that the date therefore may be set as of February 15th.

These resolutions will be transmitted to the Supreme War Council through the French Foreign Office. McCormick."

SHARP

600.119/2201 : Telegram

The Ambassador in France (Sharp) to the Acting Secretary of State

PARIS, *February 13, 1919, noon.*
[*Received 11.50 p.m.*]

7188. [For] War Trade Board:

"Number 930. Referring Embassy 7119 of February 8th, 11 p.m., our number 906. Supreme Economic Council, to whom the authority has been delegated by the Supreme War Council covering question this character, has approved the abolition of trade restrictions with Bulgaria, Turkey, Asia Minor, and ports of the Black Sea, as set forth our cable referred to and you may be accordingly guided. Publication of this abolition of trade restrictions will be made by the Associated Governments on February 15. McCormick."

SHARP

600.119/2201 : Telegram

The Acting Secretary of State to the Ambassador in France (Sharp)

WASHINGTON, *February 20, 1919, 6 p.m.*

7475. For McFadden.

No. 807. McCormick. Embassy's 7188, February 13, noon, your 930; and Embassy's 7185, your 928, February 13, noon,[3] we have announced reopening of trade with Bulgaria, Turkey in Europe, and the territory embraced within the Turkish Empire in Asia as constituted on August 1st, 1914, together with opening of all ports on the Black Sea.[4] We assume this corresponds with action taken abroad.

POLK

TERMINATION OF COURT ACTIONS CONFLICTING WITH THE CAPITULATIONS

711.673/81 : Telegram

The Commissioner at Constantinople (Heck) to the Acting Secretary of State

CONSTANTINOPLE, *February 8, 1919, 4 p.m.*
[*Received February 10, 1.19 a.m.*]

53. On the 19th January 1919, High Commissioners of three Allied Powers informed Turkish Government that the abrogation of capitulations was illegal; further that the point of view taken on this subject in an identic note from the Ambassador[s] of France,

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[3] Latter not printed.
[4] *Official Bulletin*, Washington, Feb. 17, 1919 (vol. 3, No. 540), p. 1.

Great Britain and Italy on the 10th September 1914,[5] is still maintained in its entirety. Further, in order not to increase injuries inflicted upon their subjects for which reparation will be demanded at proper time, and while making reservations as to conditions of judicial regime which the Entente may deem desirable to establish in Turkey, the three High Commissioners have demanded that Turkish Government give urgent and explicit instructions that all measures which originated in the laws and regulations and decrees subsequent to capitulations since 1914 shall begin [*cease*] to apply to subjects of Entente on 30th of January. Three High Commissioners demanded that Turkish Government give similar orders [as] to subjects of Belgium, Greece, Montenegro, Roumania and Servia.

In view of these facts and for reasons above cited it is recommended, in which recommendation Admiral Bristol concurs, that a similar note referring to the protest of our Ambassador of September 18th, 1915 [*1914*],[6] be addressed to the Turkish Government, to be presented by Swiss [*Swedish*] Legation.

HECK

711.673/85 : Telegram

The Acting Secretary of State to the Minister in Sweden (Morris)[7]

WASHINGTON, *March 20, 1919, 5 p.m.*

1569. Please request Swedish Government instruct Royal Legation at Constantinople to communicate following to Turkish Government: "United States Government has been informed of recent action which Allied High Commissioners have taken with the Turkish Government concerning Capitulations. United States Government desires it to be understood that it fully concurs in the action taken by the Entente High Commissioners, in order to put an end to the illegal interference of the Turkish Government in the application of the Capitulations."

POLK

711.673/88 : Telegram

The Consul General at Smyrna (Horton) to the Secretary of State

SMYRNA, *November 7, 1919, 6 p.m.*
[*Received November 9, 7.46 a.m.*]

Under date of May 28, 1919, Turkish Minister of Justice issued instructions to attorney generals in the provinces that the trial of all

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[5] See *Foreign Relations*, 1914, pp. 1091–1093.
[6] See instruction to the Ambassador in Turkey, Sept. 16, 1914, *ibid.*, p. 1093.
[7] Substance transmitted on the same date, in telegram No. 50, to the Commissioner at Constantinople, with instructions to notify Allied High Commissioners.

cases before the Turkish courts in which British, French and Italian subjects are involved as defendants should be postponed until further notice and that no new suits against those subjects should be heard. American citizens and Greek subjects were excluded from this ruling though Greek [High] Commissioner here obliged Turkish tribunals in the vilayet to apply rule to Greeks also. Therefore there remain only American citizens who are discriminated against and decisions involving property rights can be given against them by default and without consular representation. This situation is most dangerous and injurious to our prestige and is already being utilized by the Turks. To avoid complete [*complications and*] manifest denial of justice and also as a matter of principle Turkish Government should be obliged to extend these instructions to American citizens.

HORTON

711.673/88 : Telegram

The Secretary of State to the High Commissioner at Constantinople (Bristol)

WASHINGTON, *December 13, 1919, 1 p.m.*

293. Horton reports from Smyrna Turkish Minister of Justice issued instructions to provincial attorney generals which may place American citizens in less favorable position than British, French or Italian subjects. Horton instructed [7] to mail you full report.

This Government concurred in the action which after the armistice the Allied High Commissioners took with the Turkish Government concerning capitulations. See Department's No. 50, March 20, to Heck.[8] It should be made clear that this Government will not admit that there shall be any discrimination against American citizens. After receipt of Horton's report you may either officially through the Swedish Legation or informally and orally take neces sary measures to prevent such discrimination.

LANSING

711.673/91 : Telegram

The High Commissioner at Constantinople (Bristol) to the Secretary of State

CONSTANTINOPLE, *January 26, 1920, 10 a.m.*
[*Received January 27, 1.40 p.m.*]

67. Your 293, December 13, 1 p.m. Question of treatment of American citizens had already been taken up through Swedish Legation [before receipt of Department's telegram. Swedish Legation] never received an answer from Turkish Government to its rep-

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[7] Telegram not printed.
[8] See footnote 7, p. 815.

resentations, but I have pushed it directly with the Foreign Office and have just received from the latter a memorandum dated January 21st that "Council of Ministers has decided to extend to American citizens the treatment at present applied in judicial matters to British, French, and Italian subjects. Attorneys of the Courts of Appeal have therefore received instructions to drop proceedings against Americans."

BRISTOL

RELIEF WORK IN TURKISH TERRITORIES

867.48/1093a : Telegram

The Secretary of State to the Chargé in Great Britain (Laughlin)[9]

WASHINGTON, *November 20, 1918, 3 p.m.*

2920. American Committee Armenian and Syrian Relief, a long established relief society operating in Asia Minor with the support and approval of this Government, desires to undertake at once relief measures for rehabilitation of the oppressed nationalities of Turkish Empire in Constantinople and Asia Minor. It proposes to despatch a ship with a cargo of foodstuffs, clothing, agricultural machinery, seed, medical supplies and the like, together with some 300 doctors, relief workers, mechanics, agriculturalists and so forth. The ship would sail from an American Atlantic port through the Dardanelles to a port on the coast of Armenia, and there discharge its supplies and personnel.

Please so inform Foreign Office, stating that this plan enjoys complete approbation this Government and is part of Hoover's food scheme, and inquire if any objection exists on part of British authorities to proposed action by the Committee.

Mutatis mutandis to Paris as No. 6352.

LANSING

867.48/1097 : Telegram

The Ambassador in France (Sharp) to the Secretary of State

PARIS, *November 29, 1918, 7 p.m.*
[*Received 8.53 p.m.*]

6069. My 6009, November 26, 2 a.m.[10] Note from Foreign Office informs me that the French Government fully approves of the sending of the personnel and material mentioned in the proposed assist-

[9] See last paragraph for instructions to repeat to Paris as No. 6352.
[10] Not printed.

ance by the Armenian and Syrian Relief Society. Minister for Foreign Affairs adds that he has requested the Minister of Marine to give appropriate instructions to the French Naval authorities at Constantinople in order that all facilities may be accorded to the shipment.

SHARP

867.48/1100 : Telegram

The Chargé in Great Britain (Laughlin) to the Acting Secretary of State

LONDON, *December 5, 1918, 6 p.m.*
[Received December 6, 2.43 a.m.]

4347. Your 2920, November 20th, 3 p.m. I have just received a note from the Foreign Office of which the following is the substance:

"December 3. In reply to your note of November 21, I have the honor to inform you that His Majesty's Government cordially welcome this proposal and are prepared to afford a mission of this character every assistance in their power.

His Majesty's High Commissioner at Constantinople has been instructed in this sense by telegraph and is being authorized more particularly to arrange for British officers to be attached to the various branches of the expedition on its arrival, in accordance with a plan which is understood to have been already agreed upon between [Admiral] Webb and Doctor Gates.[11]

His Majesty's Government will endeavor to insure that the efforts of the American Mission are supported from the south by the independent action of the administration of the British Armenian fund."

LAUGHLIN

867.48/1119

The Counselor of the British Embassy (Barclay) to the Assistant Secretary of State (Phillips)

No. 1396 WASHINGTON, *December 19, 1918.*

MY DEAR MR. PHILLIPS: On December 10th Mr. Chilton[12] handed to Mr. Jones[13] a copy of a telegram from His Majesty's Representative at Constantinople to the Foreign Office dated December 5th embodying a message from Dr. Gates to the Department of State.[14] I have now received a further telegram from Constantinople through the Foreign Office stating that Dr. Gates asks that the following may be transmitted to the State Department:

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[11] Caleb F. Gates, President of Robert College, Constantinople.
[12] Henry G. Chilton, Secretary of the British Embassy.
[13] Russell C. Jones, of the Office of the Assistant Secretary of State.
[14] Not printed.

"When will the Relief Expedition fitting out for Turkey sail? Greatest need of haste.

"Conditions here are becoming desperate. Turkish currency much depreciated. Expedition should bring gold and as much coal as possible."

Believe me [etc.] COLVILLE BARCLAY

867.48/1119

The Assistant Secretary of State (Phillips) to the Counselor of the British Embassy (Barclay)

WASHINGTON, *December 23, 1918.*

MY DEAR MR. BARCLAY: I beg to acknowledge the receipt of your note No. 1396 of December 19th, quoting a message from Doctor Gates at Constantinople.

A copy of this message has been handed to Doctor James L. Barton, chairman of the Relief Expedition which is about to sail for Turkey. Doctor Barton and the members of the Commission expect to sail from New York on December 31st, and the ship carrying the relief in kind and the corps of relief workers will sail about the middle of January, direct for Constantinople. It will, of course, not be possible for the Expedition to bring gold or coal, as the amount which they could carry would not be sufficient to justify the use of space on the vessel needed for other supplies. A reply is being cabled to Doctor Gates through our Legation at Athens.[15]

Sincerely yours,

WILLIAM PHILLIPS

867.48/1144 : Telegram

The Acting Secretary of State to the Ambassador in Great Britain (Davis)[16]

WASHINGTON, *January 16, 1919.*

4095. The American Committee for Armenian and Syrian Relief are sending three ships to Turkey: The United States Naval Transport *Mercurius* now ready to sail with five members of the relief expedition and carries cargo for Constantinople only; the United States Naval Transport *Pensacola* with between 30 and 40 members of the relief expedition and a cargo of supplies to be discharged partly at Beirut and partly at Constantinople, sailing about January 21; and the *Western Belle* sailing shortly from New York with

[15] Not printed.

[16] See last sentence for instructions to repeat to Paris No. 6997.

a cargo of approximately 8,000 tons of flour, to be discharged at Constantinople and possibly Beirut. Before authorizing these vessels to sail from the United States, the Naval Overseas Transportation Service desires to have full assurance that these vessels will encounter no obstacles in passing the Dardanelles and entering the port of Constantinople and also that the *Pensacola* and *Western Belle*, if so ordered, will be able to enter the port of Beirut. Inasmuch as one vessel is now ready to sail, immediate reply is requested. Repeat to Paris as number 6997.

POLK

867.48/1157 : Telegram

The Chargé in France (Bliss) to the Acting Secretary of State

PARIS, *January 23, 1919.*
[*Received 3.18 p.m.*]

6893. Your telegram 6997, 16th, repeated from London relative to despatch of three relief ships to Turkey.[15] Foreign Office states that desired facilities will be given to the vessels and necessary instructions issued to French High Commissioners at Constantinople and Beirut.

BLISS

867.48/1175 : Telegram

The Ambassador in Great Britain (Davis) to the Acting Secretary of State

LONDON, *February 12, 1919, 1 p.m.*
[*Received 1.12 p.m.*]

891. Your 496 [*4095*], January 16 and your 4357 [*4367*] February 3.[16] Foreign Office informs me today that British Commander-in-Chief in the Mediterranean was informed on the 18th January of the impending visit of the American Relief Mission which would be followed by the three relief ships in question and instructed to afford to the mission all practicable facilities. They feel therefore that the three vessels will encounter no obstacle on their arrival.

DAVIS

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[15] *Supra.*
[16] Latter not printed.

860J.48/8

The Executive Committee of Near East Relief to the Secretary of State

NEW YORK, *November 11, 1919.*

DEAR SIR: The Executive Committee of Near East Relief beg to submit to the Department the following memoranda and requests:

I MEMORANDA

1. Our Committee, having recently received full detailed reports from our relief commissioners, who have personally visited and investigated conditions in practically every important center in the Near East, are deeply impressed with the continued destitution among the subject races of the Near East, due in large measure to the delay in concluding the Treaty of Peace and consequent lack of stable government under which these people, after four years of exile, can return to their homes and resume self-support.

2. Colonel William N. Haskell, U.S.A., as High Commissioner for Armenia, appointed by the President, reports in a recent cable:

> "Estimate 800,000 Armenians destitute, most of whom will require assistance until the fall harvest next year. Estimate will need 7,000 tons wheat flour or equivalent monthly, beginning December 1st. In addition one cargo child-feeding supplies to arrive December 1st to supplement diet for 150,000 children for succeeding three months"

In a cable received November 10th from Colonel Haskell, he says in part:

> "700,000 destitute kept alive by Hoover program; will perish from starvation unless program is continued with direct cargo each month at value of million and a quarter dollars each. No foodstuffs available in Caucasus to replace this flour. Eleven million dollars flour, etc. furnished by Hoover since last April will have been furnished in vain unless program is immediately forthcoming—most vital requirement is continuation of Hoover's program from some source. Only dependable source at present is United States"

3. It is a matter of well-authenticated record that tens of thousands of these people died last spring of sheer starvation due to the failure of ourselves and other allies to get sufficient food into the country. The article in the November number of the *National Geographic Magazine* entitled "The Land of Stalking Death" is but one of the many gruesome accounts of the ravages of famine last spring. One of our own commissioners, Dr. John H. T. Main, President of Grinnell College, reported from personal observation 192 bodies, victims of starvation, taken from the streets of one town

in one day, which he had reason to believe was below the daily average of that town, and there were other towns where the famine was reported as even more severe.

4. With the resources of the people further depleted by the lapse of a year since the armistice, without established government and with the food supply known to be practically exhausted, there is every reason to fear and expect that during the winter months immediately ahead there will be an even more tragic and serious famine than the one of last year.

Colonel Haskell, as well as officers of the American Relief Administration, report that the present food supply cannot last much, if any, beyond December 1st. Captain Chadwick of the American Relief Administration, who has just returned from six months' service with the American Relief Administration in Armenia says he does not see how twenty-five per cent. of the people can survive through the coming winter if help is not given from outside.

5. Near East Relief, now incorporated by special act of Congress (formerly known as "The American Committee for Armenian and Syrian Relief" and "The American Committee for Relief in the Near East") has administered for relief in this general area more than $30,000,000. of volunteer contributions from the American public. The Committee has made a recent appropriation of $1,500,000. to aid Colonel Haskell in the Caucasus, and other large disbursements that completely exhaust, in fact, temporarily overdraw the Committee's treasury.

7. It is evident that the task of saving these people and sustaining them until their status can be determined by the Peace Conference, or until the harvest of 1920, when they can be restored to self-support, is too great for private philanthropy alone, although private philanthropy may help both to secure funds and maintain public interest. Moreover, there are now other than purely financial problems involved, such as additional rolling stock and the insuring to Colonel Haskell as Commissioner of the Allied Powers, a sufficient measure of control over the railroad from Batum to Erivan, through Tiflis to make relief work effective.

II Requests

We, therefore, venture on purely humanitarian grounds, without any reference or commitment to any future political or international program, to suggest and request:

1. That the Department recommend to the President that he authorize the United States Grain Corporation to sell to the Armenian Republic, to the Armenian National Delegation, to Near East Relief, or to whatever other agency can most economically and

effectively administer relief to the starving and meet the legal requirements, such grain or other foodstuffs as may be needed to prevent further famine, and that the Grain Corporation be authorized to accept in payment for such grain or foodstuffs the bonds or other obligation of the Armenian Republic and the Armenian National Delegation in the same manner as similar obligations were accepted prior to June 30th by the United States Treasury for grain and flour delivered through the American Relief Administration.

2. That the Department recommend to the United States Congress the immediate passage, on humanitarian grounds, without commitment to any political or international program, such bill or resolution as will most effectively protect the Armenians from further unnecessary suffering or decimation, and that Congress by such bill or resolution make available sufficient funds to buy food, foodstuffs, clothing and other provisions, which, under the administration of Colonel Haskell, may help to keep these people alive until their political status is determined by the Peace Conference.

Near East Relief, incorporated by special act of Congress, August 1919, "To provide relief to the dependent people of the Near East" and under its charter accountable to Congress for "A full and itemized accounting of all receipts and expenditures", has no interest in this matter other than a purely humanitarian desire to relieve suffering and prevent famine. The Board's one dominant desire is to save the people by whatever agency can do it most effectively.

The Board does, however, have at the present time over 500 American citizens, aside from organized native helpers, administering relief in the Near East, and the Board will continue to send to this relief work such funds as it may be able to secure from its regular contributors and friends throughout the United States and to a limited extent from other countries.

If Near East Relief can be of any assistance to the Department or Government in this distinctively humanitarian service to our less fortunate allies, the personnel and machinery of the organization will be at the service of the Government.

Respectfully yours,

A. J. Hemphill
Henry Morgenthau
J. R. Mott
Charles E. Beury
Stanley White
Abram I. Elkus
C. V. Vickrey

860J.48/5b : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *November 17, 1919, 6 p.m.*

3796. For Polk and Haskell.

President authorized Julius H. Barnes, United States Wheat Director and President Grain Corporation to sell to the Armenian Government on credit or otherwise 35,000 tons of wheat and wheat flour. Haskell please inform Erivan.

LANSING

EFFORTS IN BEHALF OF THE ARMENIANS

Memorandum of Recommendations from Paris—Appointment of Colonel Haskell as High Commissioner and Director of Relief and of General Harbord as Chief of a Military Mission of Investigation—Appeals for Postponement of Withdrawal of British Forces from the Transcaucasus—Warning Addressed by the President to Turkish Authorities of the Consequences of Further Massacres, August 16, 1919; Turkish Reply, August 25—French Proposal to Occupy Southern Armenia—Report of the Harbord Mission

860J.01/12 : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *June 28, 1919, 7 p.m.*

2461. Following message sent to the President through ordinary channels on June 22nd: "We believe that without regard to party or creed the American people are deeply interested in the welfare of the Armenian people and expect to see the restoration of the independence of Armenia. . . . we had hoped that the Peace Conference would make it one of its first duties to take necessary steps to put a stop to the agony of Armenia and recognize her fidelity and services to our cause. We now believe that the prevailing insecurity of life and intense want in the major portion of Armenia make immediate action an imperative and sacred duty. We, therefore, respectfully urge that as a first step in that direction and without waiting for the conclusion of peace either the Allies or America or both should at once send to Caucasus Armenia requisite food, munitions and supplies for 50,000 men and such other help as they may require to enable the Armenians to occupy the non-occupied parts of Armenia within the boundaries defined in the Memorandum of the Delegation of Integral Armenia. We trust that it may be possible to secure prompt and full justice for Armenia. (Signed) Charles Evans Hughes, Elihu Root, Henry Cabot Lodge, John Sharp Williams, Alfred E. Smith, James W. Gerard, Frederic Courtland Penfield, Charles W. Eliot."

PHILLIPS

860J.01/13 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 3, 1919.*
[*Received July 4, 3.17 a.m.*]

2961. Department's 2461 June 28th. Following for Charles E. Hughes committee:

"Your cable June 22nd referred by President to this Commission for reply. Active relief work on a large scale is now in progress in the most distressed areas of Armenia but will require much enlarged support in view of the expiration of congressional appropriations and falling off of public charity. Competent observers report that immediate training and equipment of adequate Armenian forces is impracticable and that repatriation of refugees is feasible only under protection of British or American troops. British authorities inform us that they cannot spare troops for this purpose. The problem cannot be handled without authority and adequate appropriation by Congress. We requested Hoover and Morgenthau who have organization[s] in [this] territory composed of economic, military and transportation experts, to prepare memorandum on the points raised by you. Memorandum begins:

'Information herewith is broad summary of the views of economic, military, political, and relief missions and agencies of the various Allied Governments with whom we are associated and to some extent based on our own experience. First it appears there are now approximately 2,000,000 surviving Armenians in Russia and Turkey of whom about 750,000 [are] refugees from their homes in Turkish Armenia and these refugees are largely centered in Russian Armenia. Therefore the center of greatest present suffering lies in Russian Armenia in the area of the *de facto* Armenian Republic and this suffering is largely due to the flooding of the native Armenians with refugees from Turkey who have not only been driven out but whose lands have now been settled by Turks or villages destroyed. Turkish forces and bandits of considerable strength still occupy the old Armenian districts and the frontier between Turkish and Russian Armenia. Starvation has been greatly ameliorated by the United States Food Administration, American Commission for the Relief in the Near East and British military authorities in the Caucasus. The limiting factor has been the quantity of foodstuffs that could be gotten over the Caucasus railway which mainly traverses the new Georgian Republic whose people are antagonistic to the Armenians. Except for the small British occupying force it would have been practically hopeless to secure any railway service at all. The funds and supplies available from all sources for this relief will be exhausted by the end of September and the problem is entirely beyond the reach of private charity so that government support will be necessary. Aside from sheer support to refugees it is necessary to repatriate them, to reestablish their ability to support themselves, and incident[al]ly to dispossess and repatriate the Turkish intruders. Until this is done the entire displaced population must depend on charity. All military advises [*advisers?*] agree that the Armenian population itself even if furnished arms and supplies will be unable to overcome Turkish opposition and surrounding pressure from Georgians et cetera. The area proposed to be assigned to the new state of Armenia in order to include all Armenian settlements will contain a population of approximately 5,000,000 so that the large majority will consist of Turks, Kurds and other non-Christian population. The state as outlined will in large part be a mountainous area and expensive for railway transportation and traffic in general with limited resources beyond primitive agriculture. It is agreed that an Armenian gendarmerie could be built up after some years with sufficient sprinkling of foreign instructors but it is not believed that it could be built

up to sufficient strength to dominate the major and antagonistic population that will necessarily be included in the Armenian state and it is generally considered that it will not only require an initial force of at least 60,000 foreign troops to even secure repatriation but to [*sic*] a continued force of at least one half this number in occupation over a number of years to maintain order and support any government that may be created. The economic resources of the new state appear to us incapable of supporting such a force for some years and the mandatory that assumes the new state of Armenia must bear these charges for that period. To secure the establishment and protection and undertake the economic development of the state until it becomes self supporting such mandatory must provide not less than $300,000,000. This would have to be looked upon largely as a sheer effort to ease humanity. Whoever undertakes it will be exposed to constant political difficulties with the surrounding states on account of the mixed populations and the racial antagonistics [*antagonisms*] that go back over centuries. In [any] event exhaustive investigation should be undertaken by impartial experts on the ground as to the problems involved and measures to be taken before more than support to refugees is undertaken. Hoover, Morgenthau.'

Mr. Hoover wishes to add on his sole responsibility that he considers that this is [*sic*] the only practicable method by which a government in this region could be made economically self supporting would be to embrace in some [*same*] mandate the area of Mesopotamia where there are very large possibilities of economic developments, where there would be an outlet for the commercial abilities of the Armenians, and with such an enlarged area it could be hoped in a few years to build up a state self supporting although the intervention of some dominant foreign race must be continued until the entire population could be educated to a different basis of moral relations and that consequently whatever state is assigned the mandate for Mesopotamia should at the same time take up the burden of Armenia." For American Mission, Robert Lansing, Henry White, Tasker H. Bliss.

AMERICAN MISSION

860j.01/14 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 5, 1919, 10 p.m.*
[*Received July 6, 4.22 a.m.*]

2982. American Mission's 2961, July 3. Following telegram sent to President is repeated for your information and for communication to Charles E. Hughes Committee if you see fit.

"July 5, 10 p.m. After receiving General Harbord's views, and discussion with the Peace Mission, we have concluded that the temporary measures necessary to strengthen relief and administration in Armenia would [*should*] be separated from the problems involved in repatriation and expulsion of present trespassers, and permanent pacification of the territory. We have therefore recommended the appointment of Colonel William N. Haskell, at present in charge of relief measures in Roumania, to be a temporary commissioner as proposed by us to you and accepted in principle by the

heads of state, and we trust he will not be recalled by the War Department. The broader question of repatriation, etc., requires an examination as to the measures and force necessary successfully to cope with the problem and will require congressional action to grant sufficient funds and forces. We therefore recommend that a mission should immediately be sent to Armenia headed by General Harbord who should choose his own assistants to investigate this question together with the general political and economic problems involved in setting up the new state of Armenia. Such investigation as a basis of determination of policy is, in our minds, necessary before even the repatriation of refugees can be begun. We believe General Harbord could be persuaded to undertake such a mission. Hoover. Morgenthau. We endorse the recommendations made in the above telegram. American Mission ".

AMERICAN MISSION

860j.01/16 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *July 11, 1919.*
[*Received 11.18 p.m.*]

3076. The following resolution has been passed by the Council of Five with my support and with the prior approval of the President and the other heads of state:

" Colonel W. N. Haskell, U.S.A., is appointed by this council to act as High Commissioner in Armenia on behalf of the United States, British, French and Italian Governments, it being understood that Colonel Haskell will be coincidentally appointed to take full charge of all relief measures in Armenia by the various relief organizations operating there. All representatives of the United States, British, French, and Italian Governments in Armenia, Georgia, Azerbaijan and Constantinople are to be at once instructed to cooperate with and give support to Colonel Haskell."

Colonel Haskell will act as an agent of the State Department in this area and it is desirable that you should arrange with Secretary Baker for his prolonged assignment for this service. He is at present assigned to Hoover's staff but as all regular army officers, of which he is one, are called in and as the army authorities here state that the matter is now out of their hands, it is necessary that it should be arranged in Washington. He may also need some further officers assigned him in connection with his mission. The travel and incidental expenses of the mission are being provided for by relief funds. Lansing.

AMERICAN MISSION

860j.01/20 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *August 1, 1919, 3 p.m.*

2695. Your 2982 July 5, 10 p.m. and 3292 July 24, 1 p.m.[17] President approves of Hoover Morgenthau recommendation that a Mission of Investigation headed by General Harbord be sent to Armenia.

LANSING

860j.01/37 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 9, 1919, 7 p.m.*

5792. Following message has been received from American Mission Paris as their number 3581 of August 8th:

"As the embarkation of British troops from Batum begins August 15th and their withdrawal will probably be followed by anarchy and massacres in Armenia, it is suggested that if you appealed through Ambassador Davis to Curzon or Lloyd George for postponement of this withdrawal for at least one month, such request might be granted. Prompt action is necessary since a telegram to Batum revoking order for embarkation, must be August 13 from London. Officials in British Delegation here, who regard withdrawal as a calamity, have confidentially intimated that an American appeal for postponement is the only thing capable of altering the British decision to withdraw on August 15th."

You are instructed to take this matter up with the Foreign Office informally and orally and make such representations as seem proper to you under the circumstances without however, pressing the matter in any way. The last sentence of the above is, of course, only for your confidential information. Inform the Department and Mission as to the extent of the representations which you make to the Foreign Office and the reply which the Foreign Office makes.

LANSING

860j.01/39a : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 11, 1919, 5 p.m.*

5795. My 5792, August 9, 1919, 7 p.m.

In view of gravity of situation and necessity of immediate action you are instructed to urge British Government with all earnestness not to withdraw troops from Batum for time being.

LANSING

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[17] Latter not printed.

763.72119/6130 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *undated.*
[*Received August 12, 1919, 12.40 p.m.*]

3629. The Council of Five considered at its meeting this afternoon a telegram dated Constantinople, August 5th, to Clemenceau from Colonel Haskell, High Commissioner for Entente in Armenia. After pointing out that the British will commence complete evacuation on August 15th, that the Italians will not send troops, that the Armenians are unable to protect themselves and that two million[s] of [lives] will be [in danger] and anarchy will reign in the Caucasus after the withdrawal of the British troops, Colonel Haskell says:

"In the name of the future of these regions I ask that the British Government be requested to revoke the evacuation order until the question of the method of occupation shall have been decided. This viewpoint receives approbation of all the authorities here who understand the situation."

Mr. Balfour stated that the British intentions to evacuate had been [announced] last March and that at this late date the British plans could not be changed. Mr. Tittoni declared that the Italians had examined the question of occupying Georgia upon the withdrawal of the British and had decided that such occupation would not be within their power. Mr. Polk explained in the absence of authorization by Congress the United States Government was not at the present time in a position to send troops to replace the British. No action upon Colonel Haskell's telegram was taken by the Council. Polk.

AMERICAN MISSION

860J.01/40 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 12, 1919, 4 p.m.*
[*Received 10.09 p.m.*]

2766. Your 5792 August 9, 7 p.m. Conferred with Curzon yesterday, August 11, first opportunity following instructions. I confined myself to inquiring whether order for withdrawal was definite and irrevocable and expressed fears which were entertained as to its consequences. Curzon professed himself fully alive to possibilities, said withdrawal had been definitely decided upon, that men belonging to units [whose] period [of] enlistment had expired, that no forces were at hand for replacement, that Great Britain had given notice of her intention to withdraw and Allies had offered task to Italy, who declined it, that Great Britain would be highly gratified

to see America take mandate for Armenia and assume duty of policing. I told him, in response to questions, that [regardless] of future decisions the instant despatch of American forces was in my judgment, a military and political impossibility. [If] matter went to Congress it was unsafe to rely on prompt action. Matter will go before British Cabinet today but he gave me no reason to expect reversal of its decision.

I also met General Bridges, who has just returned from scene of operations, and says revocation of order is important; transports are at Batum or *en route* and arrangement for concentration and embarkation of troops already completed. Present forces in Caucasus about 22,000 men, [concentration of which] will occupy a month or six weeks. He also says that by his advice, British Government has offered or will offer price of 35,000 pounds sterling on the head of Enver Pasha who is now in Asia Minor leader of the Young Turks and a growing pan Islamic movement. He, as well as Curzon, anticipates disorder following withdrawal of British troops. He remarked casually that "The thing to do is for us to do the job and you to pay for it.["]

Have received today your 5795 August 11th, 5 p.m. Can add nothing as to gravity of situation of which the British Government is not already aware unless as to danger to American relief workers. Have presented at once, by informal note to Curzon, substance of your message adding this point. [As] result of cabinet deliberations desire of British for our acceptance of Armenian mandate is evident as well as their fear of pan Islamic movement; latter may operate to restrict their departure. Would appreciate information, if possible, as to our probable policy in matter of Armenian mandate. Repeated to Am[erican] Mission as our number 2766.

DAVIS

860J.01/46 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 15, 1919, 11 a.m.*
[*Received 12.40 p.m.*]

2801. I have received this morning the following note:

"Foreign Office, Wednesday, 13th August, 1919.

My Dear Ambassador: I have received your note of last evening urging the British Government with all earnestness not to withdraw our troops from Batoum for the time being in view of the evident gravity of the situation. As I explained to you in our conversation earlier in the afternoon evacuation has already commenced at the eastern end of the line. In any case, however, its duration must be sufficiently prolonged to relieve us from any immediate anxiety

as to the position at Batoum. Should the present programme be carried out unaltered it will not be till the early part or middle of October that the question of leaving Batoum will assume a practical form and it may be possible at that date, should the conditions in the Caucasus require it, to make arrangements which will not let the place remain without any protection. In the meantime I am making inquiries as to whether, consistent with the broad policy which I have indicated, anything can be done to insure some degree of local security and to prevent the terrible events of which your Government are apprehensive. Any arrangement for this purpose would be much easier were your Government in a position either themselves to put troops into the Caucasus or to assure us that the mandate for Armenia would ultimately be accepted by the United States. The circumstances that you described to me yesterday appear to render the satisfaction of these two conditions for the present out of the question and they greatly complicate an issue which is in itself sufficiently difficult. Pray believe me, however, that the situation is one which I am examining together with our military advisers from day to day and almost from hour to hour with the most intense anxiety to find a solution that will relieve us from the gravest fears. I am seriously considering whether it will be possible to leave political missions with sufficient escorts at the principal cities along the railway and whether effective political pressure cannot be put upon the governments of the local states to induce them to desist from actions which could only imperil their cause and might ruin their future.

I am yours sincerely, Curzon of Kedleston."

Repeated to American Mission, Paris.

DAVIS

763.72119/6130 : Telegram

The Secretary of State to the Commission to Negotiate Peace [17]

WASHINGTON, *August 16, 1919, 11 a.m.*

2849. Strictly confidential. Department's 2707, August 2, 2 p.m.[18] Your undated 3629 received August 12, 1919, and previous telegrams concerning peril for Armenians. The President desires Turkish authorities to be warned that should they not take immediate and efficacious measures to prevent any massacres or other atrocities being perpetrated by Turks, Kurds or other Moslems against Armenians in the Caucasus or elsewhere, then all support concerning a secure sovereignty over the Turkish portions of the present Ottoman Empire, under Article XII of his peace terms, will be withdrawn, and that such withdrawal might result in the absolute dissolution of the Turkish Empire and a complete alteration of the

[17] See last sentence for instructions to repeat to Admiral Bristol, High Commissioner at Constantinople.

[18] Not printed.

conditions of peace. Should Turks put forward the plea that they have no control over such occurrences, it should be pointed out that if they expect to exercise any sovereignty over any portion of the Empire they should demonstrate that they are not only willing but also able to prevent their conationals and coreligionists from the perpetration of atrocities. Therefore no excuse of inability to prevent atrocities against Armenians will be accepted from Turks. Communicate to Turkish authorities at your discretion through such diplomatic channels as in your judgement may be available, and in any case, repeat to Admiral Bristol for communication to Turkish authorities.

LANSING

860j.01/52 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *August 20, 1919, 2 p.m.*

2885. AmEmbassy, London informs Department it repeated to you Lord Curzon's note dated August 13th in reply to the note of the Embassy urging the British Government not to withdraw British troops from Batoum.

Department suggests the advisability of your discussing the matter with the Allied Delegates, with the recommendation that, pending the final settlement of the Turkish and Armenian questions, immediate emergency measures be taken with a view to preventing all possible bloodshed and other lawlessness.

LANSING

860j.01/53 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 20, 1919, 10 a.m.*
[*Received 6.05 p.m.*]

2840. I have just received the following note:

"Foreign Office, Tuesday 19th August 1919.

"My Dear Ambassador: You may remember that in our conversation yesterday afternoon about the Armenian question and the Caucasus I expressed some surprise that if American opinion was as deeply stirred as I was led to believe on the subject, no official representatives [*representations*] had reached me from the American Government and I was left to gather American sentiment from the reports and appeals and protests of private individuals. I further said that anxious as we were to do everything in our power to satisfy American opinion and to protect the Armenians, it was difficult

to modify our announced and already inaugurated policy of evacuation unless we knew for certain for how long a period we were requested or expected to remain and what part the American Government were prepared to play at its close. Later in the evening Mr. Bonar Law speaking on the same subject in the House of Commons used the following words:

'I can assure my noble friend that if any sign of help were coming from America as suggested they would only too gladly welcome it. Indeed I think I might say more with the consent of my right honorable friend: it is, if I may be permitted to say so, an American problem rather than a British. They are in a better position to deal with it. They have interests as great as ours. I think greater. I can assure the House that if the President of the United States were officially to say to the British Government, "We wish you to hold the fort for a little until we can make arrangements" we would certainly do our best to meet him.'

Mr. Bonar Law meant to add what I may here be permitted to add on behalf of His Majesty's Government that in the event of the American Government addressing us in the sense indicated it would seem only reasonable that the financial burden of retaining our forces in the Caucasus beyond the period already fixed by us should not be borne by Great Britain, but should be assumed by the state which expects to be or is likely to become the mandatory for the Armenian people. Our own financial responsibilities in those regions have already been so overwhelming that we should not feel justified in continuing them for a further period. May I suggest to Your Excellency that you should telegraph in this sense to your Government since the matter is one that calls for very early decision.

I am yours very sincerely,

Curzon of Kedleston"

After statement above quoted Bonar Law in House of Commons added "But I can hold out no hope of keeping troops longer in that part of the country although I am glad to say that an Allied Commissioner has already been sent to Armenia and that we have commissioners of our own both in Baku and Batum."

May I suggest that any answer to this letter other than a definite refusal should be so worded as to avoid any possible charge of bad faith if mandate is finally declined?

Repeated to American Mission as our 231.

DAVIS

860J.01/58 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *August 23, 1919, 11 a.m.*
[*Received August 23, 9.15 a.m.*]

3856. Your 2885, August 20th, 2 p.m. Before taking the steps you suggest I should be glad to know what reply you wish me to make in case the British or other Allied delegates inquire whether

the United States would be willing to pay the expenses of any military assistance that might be sent to Armenia and what are the prospects of the United States accepting a mandate over that country.[19] Polk.

AMERICAN MISSION

860j.01/53 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 23, 1919, 2 p.m.*

5867. Your 2840, August 20, 10 a.m.

I have discussed matter very fully with the President and find the situation difficult. We would like to appeal officially to the British Government to continue their military control assuring them that they would receive financial aid in maintaining their forces, but unfortunately there are no funds available for such a purpose and it would require an appropriation by Congress in order to obtain them. At the present time to attempt to secure an appropriation would be to complicate further the political situation which the treaty of peace has caused. The same is true in regard to saying to the British Government to hold on "until we can make arrangements". The Senate would bitterly resent the apparent assumption that the United States will later take over responsibility for order in those regions. The temper of certain Senators and their hostility to the President and everything which he advocates is so intense that such action would add fuel to the flames already raging.

In view of the situation there is only one thing possible and that is to appeal to the British Government on the ground of humanity to continue their protection over those wretched people pointing out the undoubted feeling of the world in the event that the British forces just at this time while the future of the Ottoman Empire was being determined should be withdrawn and the country given over to massacre, rapine and lawlessness.

I hope that you can make this plain to Lord Curzon and urge him to do all that he can to continue the protection which Great Britain is so generously giving to a distracted and unhappy race. Please telegraph the result as soon as possible.

LANSING

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[19] In reply, the Secretary telegraphed to the Commission on Aug. 25. No. 2939, the text of his telegram No. 55867, Aug. 23, to the Ambassador in Great Britain, *infra*.

867.00/914 : Telegram

The Commissioner at Constantinople (Ravndal) to the Secretary of State [20]

CONSTANTINOPLE, *August 25, 1919, 2 a.m.*
[*Received August 28, 4.28 a.m.*]

157. The following is a copy of the Grand Vizier's reply to the President's message through Admiral Bristol to the Turkish Government.[21] Please send copy also to Naval Adviser [*sic*].

"To His Excellency, President Wilson, President of the United States of America.

I have had the honor to receive the wire which Your Excellency has sent to me through Rear Admiral Bristol.

No time has been wasted submitting the presidential message to His Imperial Majesty, the Sultan. The Imperial Government is conscious and fully aware of the fact that it is its sacred duty to maintain order and tranquillity within the borders of the Empire and to guarantee, as in all other organized states, the safety of life, honor and property of its citizens.

Turkey is just out of a disastrous war which has completely put the administrative machinery [of government] out of order and [with] nearly her whole army demobilized, has today nothing more than an insufficient number of soldiers and gendarmes dispersed [over her] extensive territory.

Steps repeatedly taken and applications made by us to the Allied Powers to the effect that the Imperial Government should not be prevented from increasing the number of contingents so as to face the exigencies of the actual situation have unfortunately up to today proved to be unsuccessful.

No government can possibly maintain order and accomplish tranquillity without the aid of public forces. But in spite of these, the Imperial Government has done every possible effort to overcome unimaginable difficulties and we did not fail to record that since the lapse of six months no event of any importance or of a sad character has ever occurred in any part of the Empire. It is those tragic events of Smyrna which have troubled the peace in Asia Minor and Thrace and exasperated the entire population already upset by the disastrous effects of the late general war. It is again those awful atrocities, unparalleled even in the old conservative times, that brought about a general repentance all over the Empire and caused a deep indignation and exasperation amongst the entire population.

As to the Caucasus and those regions beyond the Ottoman boundaries, I am almost sure that once well informed of the real situation and animated by feelings of justice and equity Your Excellency will not hesitate in not holding the Ottoman Empire responsible for the sad events occurring in those foreign lands and on the Ottoman territories.

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[20] Forwarded by the Embassy in France as No. 1326.
[21] See Footnote 17, p. 831.

Concerning the above mentioned factors, and in the interest of general peace in the Near East, I now beg to request Your Excellency to help the Ottoman State in the accomplishment of its humanitarian task and to facilitate the realization of the following desiderata: to give the right to the Ottoman Government to increase the number of soldiers and gendarmes and to hasten, in accord with the Allied Powers, the work of the International Commission at Smyrna and to give an end as soon as possible to the helplessness noteworthy of that province and to atrocities committed by Hellenic troops actually stationed there.

Immediate convocation of Ottoman delegates to Paris Peace Conference guarding against [*sic*] definite conclusion of peace, which is the normal [status] for all nations, [will put an end to conditions] existing since the last 10 months and [there]by the unsettled state of affairs will at once be replaced by order and tranquillity everywhere. Damad Ferid."

RAVNDAL

860j.01/53 : Telegram

The Secretary of State to the Ambassador in Great Britain (Davis)

WASHINGTON, *August 26, 1919, 2 p.m.*

5874. Confidential. Supplementing Department's 5867, August 23, 2 p.m., reiterating urgent appeal on humanitarian grounds to the British Government to continue the protection which it is giving to the Armenians, the following considerations may incidentally be brought to Lord Curzon's attention.

1. The United States Government was not a signatory to the Paris treaty of 1856, the Berlin treaty of 1878, or any of the conventions between the European powers regarding the Near Eastern affairs and which caused the continuation of the condition of the Christians under Turkish rule. Consequently American desire to help Eastern Christians is based mainly on humanitarian and altruistic grounds without the feeling that America is in any way responsible for their condition or that she is under obligation to pay them back a moral or any other debt.

2. Should the withdrawal of British troops be followed by further massacre of Armenians, it may result in anti-British feeling in American public opinion, which this Government will greatly regret and would earnestly desire to avoid. We need not refer to British public opinion, much better known to the British Government than to ourselves.

3. The deportations and massacres of Armenians in 1915 and 1916 were principally due to the desire of the Young Turks to create a homogeneous Turkey. The pan-Touranian and pan-Islamic aspira-

tions of the Turks still exist and do not seem to be discouraged by Moslems outside of Turkey. The Armenians and the formation of an Armenian state are considered by Turks as serious obstacles in the way of the realization of these aspirations, especially the first. It, therefore, seems to be in the interest of Great Britain and the other Allies to help the Armenians and protect them from extermination.

4. If public opinion in America should agree to an American mandate over Armenia, it will be due to the sympathy formed for the Armenians and the hope that through American help the Armenians may, during the mandatory period, learn to organize a self supporting state. If through further massacres, the Armenians should be weakened to the extent of pan-Turkish hopes [so] that they will be forever unfit to form a Christian state, then possibly a strong opposition may grow in this country against the assumption of any mandate by the United States.

LANSING

860J.01/64 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 26, 1919, 5 p.m.*
[*Received 9.12 p.m.*]

2897. Your 5867. Curzon out of town. Have communicated contents your despatch to Ronald Graham, acting, who is familiar with subject. He regrets situation but is in no way surprised. Says Foreign Office is in constant consultation with military on the subject and hope some half way measures can be devised, perhaps sending some native troops or leaving a small force sufficient to exercise moral pressure. I incline to opinion that something of the sort will be done.

DAVIS

860J.01/66 : Telegram

The Ambassador in Great Britain (Davis) to the Secretary of State

LONDON, *August 29, 1919, 4 p.m.*
[*Received August 29, 12.55 p.m.*]

2918. Your 5874, August 26, 2 p.m. Practically all the suggestions contained in this despatch have been canvassed between Lord Curzon and myself in previous conversations. I shall take occasion to repeat them when opportunity affords.

DAVIS

763.72119/6462 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *August 30, 1919, 11 a.m.*
[*Received 10.52 p.m.*]

3960. Confidential. For the Secretary of State from Polk. The President's memorandum to Bristol, see Department's 2849, August 15 [*16*], 11 a.m., was brought up the other day in the conference and the French, misunderstanding the note, object to the United States Government communicating with the Turkish Government in the name of the Peace Conference. The matter was explained that the President was merely stating the views of the United States Government. In connection with this discussion Clemenceau stated that the French were not permitted by the British to send troops to Asia Minor; [then] Balfour immediately took issue and said they had no objection to the French sending troops and asked whether Clemenceau would send troops to Armenia. After two days the French came back with a proposition that they would send 10,000 troops for the protection of Armenia. The troops have to be landed at Alexandretta and Mersina. This to my mind is rather an attempt on the part of the French to get a footing in Asia Minor than a plan to protect the Armenians. I asked Balfour whether the British would consent to this very palpable attempt to get control of this section of Asia Minor and he said that in view of the fact that they were withdrawing and that we could not send troops he did not see how the British Government could object. The French insist that railroads and wagon roads makes the approach to Armenia quicker and less expensive than going elsewhere. The matter will come up Monday or Tuesday and I will be glad to know whether you object to this plan. Polk.

AMERICAN MISSION

860j.01/68 : Telegram

The Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *September 2, 1919, 3 p.m.*

3021. Confidential. Your 3960, August 30, 11 a.m.

Department would welcome despatch of 10,000 French troops for the protection of Armenia. The essential thing is by immediate action to avoid invasion of Russian Armenia and further massacres, to insure the transportation of food stuffs by rail from Batoum to Erivan and, at the same time, to show Turks, Kurds and others that

the Allies have not abandoned the Armenians. It would, therefore, appear more practical and speedy if the French troops are going to be sent from France to have them land at Batoum, replacing the British troops and taking immediate control of the railway. The British should, in this case, be requested to suspend their withdrawal until arrival of the French and publicity should not be given until then.

Department received following dated August 30th from Constantinople. "The Captain of the United States vessel *Olympia* telegraphs as follows: from Batoum, 'British evacuated Tiflis August 29th and will be entirely out of Transcaucasia, including Batoum, in two weeks. General Cook Collins of opinion that evacuation will result in collision with Georgian and Turkish forces at Batoum and general close in of [*on*] neutral Armenians by Tartars and Turks.' Ravndal, American Commissioner."

LANSING

860j.01/85a : Telegram

The Acting Secretary of State to the Commission to Negotiate Peace

WASHINGTON, *September 20, 1919, 10 p.m.*

3193. Strictly Confidential for Polk.

Senator Williams introduced resolution proposing to authorize the President to use American military forces to protect Armenians. Resolution referred to subcommittee. President is heartily in favor of this course provided it meets authorization of Congress. If French are sending sufficient number of troops, President is willing to defer to them, or if they will accept a joint military action he is willing to join the French. Under instructions from the President I today saw Senator Williams who does not hope that the dispatch of American troops can be realized because French are apparently willing to send troops and because the feeling in the Foreign Relations Committee is against sending American forces. He is therefore in favor of securing authorization to suspend restrictions against recruiting volunteers for foreign armies in the United States, at the same time securing authorization for the immediate dispatch of arms and ammunition to Armenia. The subcommittee will summon me in a few days to discuss the matter. I will therefore be glad to receive a reply to Department's 3060 of September 8, 7 p.m.[21]

PHILLIPS

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[21] Not printed.

860j.01/90 : Telegram

The Commission to Negotiate Peace to the Secretary of State

PARIS, *September 22, 1919, 11 p.m.*
[*Received 11.40 p.m.*]

4312. Department's 3193, September 20, 10 p.m., 3060, September 8, 7 p.m., 3021, September 3 [*2*], 3 p.m.[22]

The French offer mentioned in my 3960, August 20 [*30*], 11 a.m., to land troops at Alexandretta and Mersina meant that an expeditionary force of about 12,000 men of all arms would be moved into Cilicia and would occupy the points in southern Armenia such as Marash, Malatia, and Urfa now occupied by British troops. In pursuance of this plan the British and French agreed on the 15th instant, that the British garrisons in Syria west of the Sykes–Picot line in Cilicia and southern Armenia will be replaced by a French force; that the garrisons at Damascus, Homs, Hama, and Aleppo will be replaced by an Arab force; and that after the withdrawal of the British forces neither the British Government nor the British commander-in-chief shall have any responsibility within the zones from which the army has retired.

This carries out the arrangements contemplated by the Sykes–Picot agreement of 1916,[23] under which the Syrian littoral with Cilicia and southern Armenia was to be occupied and administered [by the] French. This plan will merely protect the relatively few Armenians now occupying southern Armenia. It is a practical impossibility for a French force to reach Russian [Armenia from] Malatia which is about 300 miles from Erivan, and furthermore the French force intending to occupy the posts evacuated by the British in Cilicia and southern Armenia will be no more than sufficient for that purpose. The above plan will be [*sic*] therefore do nothing to prevent the invasion or the massacring of Armenians in Russian Armenia.

Joint military action by our troops with the French, as mentioned in your 3193, September 20th, does not seem feasible because Clemenceau has already declined to consider the sending of any French troops to Russian Armenia via Batum where the British withdrawal is proceeding and will be completed in about 10 days. The sending [of] ammunition, supplies, and volunteer recruits to the Armenian republic as proposed by Senator Williams can be assured only if the railway from Batum to Erivan be held by an

[22] No. 3060 not printed.
[23] See memorandum by the Russian Ministry of Foreign Affairs on the question of Asia Minor, Feb. 21/Mar. 6, 1917, *Foreign Relations*, 1917, Supplement 2, vol. I, p. 502.

American military force. In that event, the Armenian army, reenforced and equipped, probably would be able to successfully withstand the Turks and Tartars. Polk.

AMERICAN MISSION

Peace Commission files: 184.02102/5

The Chief of the Military Mission to Armenia (Harbord) to the Secretary of State [24]

ON BOARD U.S.S. "MARTHA WASHINGTON", *October 16, 1919.*

The undersigned submits herewith the Report of the American Military Mission to Armenia. The Mission, organized under authority of the President, consisted of:

Major General James G. Harbord, U.S. Army,
Brigadier General Frank R. McCoy, U.S. Army,
Brigadier General George Van Horn Moseley, U.S. Army,
Colonel Henry Beeuwkes, Medical Corps, U.S. Army,
Lieutenant Colonel John Price Jackson, U.S. Eng'rs.,
Lieutenant Colonel Jasper Y. Brinton, Judge Advocate, U.S. Army,
Lieutenant Colonel Edward Bowditch, Jr., Infantry, U.S. Army,
Commander W. W. Bertholf, U.S. Navy,
Major Lawrence Martin, General Staff, U.S. Army,
Major Harold Clark, Infantry, U.S. Army,
Captain Stanley K. Hornbeck, Ordnance Dept., U.S. Army, (Chief of Far Eastern Division, American Commission to Negotiate Peace.)
Mr. William B. Poland, Chief of the American Relief Commission for Belgium and Northern France.
Prof. W. W. Cumberland, Economic Adviser to the American Commission to Negotiate Peace.
Mr. Eliot Grinnell Mears, Trade Commissioner, Department of Commerce;

with other officers, clerks, interpreters, etc., etc.

The instructions to the Mission were "to proceed without delay on a government vessel to Constantinople, Batum and such other places in Armenia, Russian Transcaucasia and Syria, as will enable you to carry out instructions already discussed with you. It is desired that you investigate and report on political, military, geographical, administrative, economic and other considerations involved in possible American interests and responsibilities in that region."

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[24] Text here printed is that of the signed original left by Major General Harbord with the Commission to Negotiate Peace, at Paris. An unsigned copy of the report, with the exhibits and appendices, was transmitted by Major General Harbord at Washington to the Secretary of State, Nov. 14, 1919 (File No. 860j.01/575).

The Mission proceeded by ship to Constantinople. From there it travelled by the Bagdad Railway to Adana near the northeastern coast of the Mediterranean Sea; the scene of the massacres of 1909, and the principal city of the rich province of Cilicia, where two days were spent visiting Tarsus, and the ports of Ayas and Mersina; thence continued by rail via Aleppo to Mardin; from there by motor car to Diarbekir, Kharput, Malatia, Sivas, Erzinjan, Erzerum, Kars, Erivan and Tiflis; thence by rail to Baku and Batum. Erivan, Tiflis and Baku are the capitals, respectively, of the republics of Armenia, Georgia, and Azarbaijan, and Batum is the seat of the British military government of the Georgian district of that name. Members of the Mission also travelled by carriage from Ula-Kishla to Sivas; from Sivas to Samsun; visiting Marsovan where there is much apprehension among the Armenian population at this time; from Trebizond to Erzerum; by horseback from Khorasan to Bayazid; from Erivan to Nakhichevan, near the Persian border. The Armenian Catholicos, His Holiness Kevork V, was visited at Etchmiadzin the historic seat of the Armenian Church, with its ancient cathedral dated from 301 A.D. The mission traversed Asia Minor for its entire length and the Transcaucasus from north to south and east to west. All of the vilayets of Turkish Armenia were visited except Van and Bitlis which were inaccessible in the time available, but which have been well covered by Captain Niles, an army officer who inspected them on horseback in August, and whose report corroborates our observations in the neighboring regions; as well as both provinces of the Armenian Republic, and the Republics of Azarbaijan and Georgia. The Turkish frontier was paralleled from the Black Sea to Persia. (See Exhibit "A", attached, map showing routes covered.[25]) On the return voyage from Batum the Mission visited Samsun, the port of one of the world's great tobacco regions, and Trebizond, the latter a principal port on the south shore of the Black Sea, terminus of the ancient caravan route to Persia, of historic interest as the point where the Greek Ten Thousand reached the sea under Xenophon over twenty three hundred years ago. The Mission spent thirty days in Asia Minor and Transcaucasia and interviewed at length representatives of every government exercising sovereignty in that region, as well as individual Turks, Armenians, Greeks, Kurds, Tartars, Georgians, Russians, Persians, Jews, Arabs, British and French, including Americans for some time domiciled in the country. It also gave consideration to the views of the various educational, religious and charitable organizations supported by America. In addition to this personal contact the Mission

[25] Not reproduced.

before leaving Paris was in frequent conference with the various delegations to the Peace Conference from the regions visited. It has had before it numerous reports of the American Committee for Relief in the Near East, and Food Administration, and that of the Mission of Mr. Benjamin B. Moore sent by the Peace Conference to Transcaucasia, as well as the very complete library on the region, its geography, history, and governments, loaned by the Librarian of Congress, the American Mission to Negotiate Peace and others. It has listened to the personal experiences of many witnesses to the atrocities of 1915, and benefited by the views of many persons whose knowledge of the various peoples in the regions visited is that obtained by years spent among them.

The interest, the horror and sympathy of the civilized world are so centered on Armenia; and the purpose and work of this Mission so focus on that blood-soaked region and its tragic remnant of a Christian population that this report should seem to fall naturally under the following heads:

(*a*) History and present situation of the Armenian people.
(*b*) The political situation and suggestions for readjustment.
(*c*) The conditions and problems involved in a mandatory.
(*d*) The considerations for and against the undertaking of a mandate.

The Report is accordingly so presented:

The History and Present Situation of Armenian People

The Armenians were known to history under that name in the 5th Century B.C., and since that period have lived in the region where their misfortunes find them today. Their country is the great rough tableland, from 3,000 to 8,000 feet above the level of the sea, of which Mount Ararat is the dominant peak. In ancient times it touched the Mediterranean, Caspian and Black Seas. In later days it has dwindled to about 140,000 square miles, an area about as large as Montana, without political identity, but existing in 1914 in two parts, the eastern belonging to Russia which consisted of Kars and Erivan, and some portions of the present territory of Azarbaijan; the remainder being Turkish Armenia, comprised in the vilayets of Van, Bitlis, Erzerum, Diarbekir, Kharput, and Cilicia, though Armenians were scattered more or less throughout the whole of Transcaucasia and Asia Minor. Armenia was an organized nation a thousand years before there was one in Europe except Greece and Rome. For over twelve of the twenty-five centuries of its history Armenia enjoyed independence within borders that shifted with the events of the times. Its last King, Leon VI, an exile from his own land, spent his last years in the effort to bring about an under-

standing between France and England then in the struggle of the Hundred Years War, and actually presided at a Peace Conference near Boulogne in 1386, which brought about the understanding which led to the end of that war. Armenia was evangelized by Apostles fresh from the memory of our Lord, as early as 33 A.D., and as a nation adopted Christianity and founded a National Church in 301 A.D., which has outridden the storms of the centuries and is vital today. Armenia was the first nation to officially adopt Christianity, with all that act involved in a pagan world.

The first two centuries following the foundation of the Church were a Golden Age of Armenian literature, witnessing the invention of an Armenian alphabet; the translation of the bible into the vernacular; the thronging of Armenians to the great centers of learning at Athens, Rome and Alexandria; and the development of a flexible literary language, one of the great assets of national life.

By its geographical location on the great highway of invasion from East to West; the ambitions of Persia, the Saracens and the rising tide of Islam, and the Crusades found Armenia the extreme frontier of Christianity in the East. Persians, Parthians, Saracens, Tartars and Turks have exacted more martyrs from the Armenian church in proportion to its numbers than have been sacrificed by any other race. The last Armenian dynasty was overthrown by the Sultan of Egypt seventy-eight years before the fall of Constantinople to Mahomet II in 1453. From that time until today the story of their martyrdom is unbroken. In the Persian, the Roman, the Byzantine, the Armenian found Aryan kinsmen and tyranny was tempered with partial autonomy. Even the Saracen was a high racial type and reciprocal adjustments had been possible. The Turk to whom they now fall prey was a raiding nomad from Central Asia. His mainsprings of action were plunder, murder and enslavement; his methods the scimitar and the bowstring. The Crusades were long ended; Europe busy with her own renaissance contented herself with standing on the defensive against the Moslem, and the Eastern Christian was forgotten. For more than three centuries the Armenian people figure little in the history of the times, though at an earlier period sixteen Byzantine Emperors were of that race, and ruled the Eastern Empire with distinction. Many individuals, and even colonies, however, played a part in distant lands. Europe, India and Persia welcomed them. They were translators, bankers, scholars, artisans, artists, and traders, and even under their tyrannical masters filled posts which called for administrative ability, became ambassadors and ministers and more than once saved a tottering throne. They carried on trades, conducted commerce and designed and constructed palaces. Nevertheless as a race they were forbidden military service,

taxed to poverty, their property confiscated at pleasure, and their women forced into the harems of the conqueror. Such slavery leaves some inevitable and unlovable traces upon the character, but in the main the Armenian preserved his religion, his language, and his racial purity, persecution bringing cohesion.

Time, temperament and talent eventually brought most of the industry, finance, commerce and much of the intellectual and administrative work of the Ottoman Empire into Armenian hands.

The progress of events in Europe brought about in the early 19th Century a revival of interest in the forgotten Near East. As early as 1744 [*1774*] the treaty of [Kuchuk] Kainardje had placed Imperial Russia in the role of a protector of the Christians of the Near East, an attitude many times under suspicion by contemporary statesmen, but whatever its motives, the only genuine attempt by any European nation to afford such protection to helpless Armenia. A plebiscite in Russian Armenia, if fairly held, would probably vote a reconstituted Russia into a mandatory for that region.

With Armenian consciousness of their own capacity to trade, to administer, and to govern in the name of others, there came in the last quarter of the 19th Century the opportunity to throw their weight into the scale for the reform of Turkey from within, at a time when the dismemberment of Turkey was balanced in European politics against the possibility of her self-redemption. In 1876 a constitution for Turkey was drawn up by the Armenian Krikor Odian, Secretary to Midhat Pasha the reformer, and was proclaimed and almost immediately revoked by Sultan Abdul Hamid.

The foregoing inadequately sketches the story of the wrongs of Armenia down to our own times. From 1876 it is a story of massacre and of broken and violated guarantees. The Russo–Turkish war ended in 1878 by the Treaty of San Stefano under which Russia was to occupy certain regions until actual reforms had taken place in Turkey. This treaty, through British jealousy of Russia, was torn up the following year and the futile Treaty of Berlin substituted, asking protection but without guarantees. Meantime there had been the Convention of Cyprus by which that island passed to Great Britain and the protection of Turkey was promised for the Armenians in return for an [*Great Britain's*] agreement to come to the aid of that country [*Turkey*] against Russia. A collective note of the powers in 1880 was ignored by Turkey. Then followed the agreement of 1895 which was never carried out, and the restoration of the constitution of 1876, in 1908. A further agreement in 1914 was abrogated at the entrance of Turkey in the war,—and the last of the series is a secret treaty of 1916 [25] beteween Great Britain, France

[25] See footnote 23, p. 840.

and Russia, the existence and publication of which rests on Bolshevik authority, by which Armenia was to be divided between Russia and France. Meanwhile there have been organized official massacres of the Armenians ordered every few years since Abdul Hamid ascended the throne. In 1895 one hundred thousand perished. At Van in 1908, and at Adana and elsewhere in Cilicia in 1909, over thirty thousand were murdered. The last and greatest of these tragedies was in 1915. Conservative estimates place the number of Armenians in Asiatic Turkey in 1914, over 1,500,000, though some make it higher. Massacres and deportations were organized in the Spring of 1915 under definite system, the soldiers going from town to town. The official reports of the Turkish Government show 1,100,000 as having been deported. Young men were first summoned to the Government building in each village and then marched out and killed. The women, the old men and children were, after a few days, deported to what Talaat Pasha called "Agricultural Colonies",—from the high, cool, breeze-swept plateau of Armenia to the malarial flats of the Euphrates and the burning sands of Syria and Arabia. The dead from this wholesale attempt on the race are variously estimated from 500,000 to more than a million, the usual figure being about 800,000. Driven on foot under a fierce summer sun, robbed of their clothing and such petty articles as they carried, prodded by bayonet if they lagged; starvation, typhus and dysentery left thousands dead by the trail-side. The ration was a pound of bread every alternate day, which many did not receive, and later a small daily sprinkling of meal on the palm of the outstretched hand was the only food. Many perished from thirst or were killed as they attempted to slake thirst at the crossing of running streams. Numbers were murdered by savage Kurds against whom the Turkish soldiery afforded no protection. Little girls of nine or ten were sold to Kurdish brigands for a few piastres, and women were promiscuously violated. At Sivas an instance was related of a teacher in the Sivas Teachers' College, a gentle, refined Armenian girl, speaking English, knowing music, attractive by the standards of any land, who was given in enforced marriage to the *Beg* of a neighboring Kurdish village, a filthy ragged ruffian three times her age, with whom she still has to live, and by whom she has borne a child. In the orphanage there maintained under American Relief auspices, there were one hundred and fifty "brides", being girls, many of them of tender age, who had been living as wives in Moslem homes, and had been rescued. Of the female refugees among some seventy-five thousand repatriated from Syria and Mesopotamia, we were informed at Aleppo that forty percent are infected with venereal disease from the lives to which they have been forced. The

women of this race were free from such diseases before the deportation. Mutilation, violation, torture and death have left their haunting memories in a hundred beautiful Armenian valleys; and the traveler in that region is seldom free from the evidence of this most colossal crime of all the ages. Yet, immunity from it all might have been purchased for any Armenian girl or comely woman by abjuring her religion and turning Moslem. Surely no faith has ever been put to harder test or has been cherished at greater cost.

Even before the war the Armenians were far from being in the majority in the region claimed as Turkish Armenia, excepting in a few places. Today we doubt if they would be in the majority in a single community even when the last survivors of the massacres and deportations have returned to the soil, though the great losses of Turkish population, to some extent, offset the difference brought about by slaughter. We estimate that there are probably 270,000 Armenians today in Turkish Armenia. Some 75,000 have been repatriated from the Syrian and Mesopotamian side, others are slowly returning from other regions, and some from one cause or another remained in the country. There are in the Transcaucasus probably 300,000 refugees from Turkish Armenia, and some thousands more in other lands, for they have drifted to all parts of the Near East. The orphanages seen throughout Turkey and Russian Armenia testify to the loss of life among adults. They are Turkish as well as Armenian, and the Mission has seen thousands of these pathetic little survivors of the unhappy years of the war. Reports from twenty stations in Turkey show 15,000 orphans receiving American aid, and undoubtedly the number demanding care is double this for many were seen cared for under the auspices of the Red Crescent, the organization which in Moslem countries corresponds to our Red Cross. Twenty thousand are being cared for at the expense of the various relief agencies in the Transcaucasus. On the route traveled by the mission fully 50,000 orphans are today receiving government or other organized care. We estimate a total of perhaps half a million refugee Armenians as available to eventually begin life anew in a region about the size of New York, Pennsylvania and Ohio, to which would be added those, not refugees, who might return from other lands. The condition of the refugees seen in the Transcaucasus is pitiable to the last degree. They subsist on the charity of the American Relief organizations with some help, not great however, from their more prosperous kinsmen domiciled in that region. Generally they wear the rags they have worn for four years. Eighty percent of them suffer from malaria, ten percent from venereal troubles, and practically all, from

diseases that flourish on the frontiers of starvation. There are also the diseases that accompany filth; loathsome skin troubles and great numbers of sore eyes, the latter especially among the children. The hospitals are crowded with such cases. The refugees in Russian Armenia have hitherto drifted from place to place but an effort is now being made by the administration of Colonel Haskell to concentrate them in several refugee camps. The winter season will see many deaths, for the winters there are extremely severe, fuel is scarce, and shelter inadequate. Medicines are scarce and very dear. Quinine cost approximately thirty dollars a pound. On the Turkish side of the border where Armenians have returned they are gradually recovering their property, and in some cases have received rent for it, but generally they find things in ruins, and face winter out of touch with the American Relief, and with only such desultory assistance as the Turkish government can afford. Things are little if any better with the peasant Turks in the same region. They are practically serfs equally destitute, and equally defenseless against the winter. No doctors or medicines are to be had. Villages are in ruins, some being destroyed when the Armenians fled or were deported; some during the Russian advance; some on the retreat of the Armenian irregulars and Russians after the fall of the empire. Not over twenty percent of the Turkish peasants who went to war have returned. The absence of men between the ages of twenty and thirty-five is very noticeable. Six hundred thousand Turkish soldiers died of typhus alone, it is stated, and insufficient hospital service, and absolute poverty of supply greatly swelled the death lists.

In the region which witnessed the ebb and flow of the Russian and Turkish armies, the physical condition of the country is very deplorable. No crops have been raised for several years and the land ordinarily cultivated has gone to weeds. Scarcely a village or city exists which is not largely in ruins. The country is practically treeless. Where the desperate character of the warfare with its reprisals of burning and destroying as one side and then the other advanced, has not destroyed the buildings, which are generally of adobe, the wooden beams have been taken for fuel and the houses are ruined. In the territory untouched by war from which Armenians were deported, the ruined villages are undoubtedly due to Turkish deviltry, but where Armenians advanced and retired with the Russians, their retaliatory cruelties unquestionably rivaled the Turks in their inhumanity. The reconstruction of this country will be little short in difficulty of its original reclamation from virgin wilderness in days when the world was young.

Where the Russian went he built fine macadam highways, and even the main Turkish roads generally built during the war, over which our Mission travelled, were passable, and some quite good. All highways are rapidly going to ruin for lack of maintenance. A country once fairly equipped for motor traffic is sliding back to dependence on the camel caravan, the diminutive pack donkey, and the rattly, ramshackly araba wagon. The ox is the principal draught animal. A good highway existed from Erzerum to Trebizond, on the line of the most ancient trade route in the world, that from Persia to the Black Sea, through which, in all ages, the carpets and jewels of Persia have reached the western world. The distance is about one hundred and fifty miles. The freight rate is now between $145 and $150 per ton.

In the portion of Turkey traversed, we heard of brigandage but experienced no inconvenience. Apparently the Turkish government, inefficient and wicked as it sometimes is, can control its people, and does govern. In the region once policed by Russia the relaxation from its iron hand has been great, and life and property are unsafe in many regions. Our Mission was fired upon by Kurds in Russian Armenia and several motor cars struck by bullets, and over half the party were kept prisoner one night by Moslems who claimed to have been driven from their villages by Armenians. In Azarbaijan we were also fired upon. Train wrecks for robbery are frequent on the Transcaucasian railroad, and the [Georgian] government took the precaution to run pilot engines ahead of our train for safety. The highways are unsafe even to the suburbs of the large towns. Practically every man in Georgia and Azarbaijan, outside the cities, carries a rifle. If he desires to stop a traveller on the highway he motions or calls to him, and if unheeded fires at him.

The relief work consists of the allotment made to the Transcaucasus from the unexpended balance of the hundred millions appropriated by Congress for relief in allied countries, and of the funds contributed through the American Committee for Relief in the Near East. All circumstances considered, the Relief Administration in the Transcaucasus seems to have been conducted with more than average energy. It has rescued the refugees there from starvation, and brought the name of America to a height of sympathy and esteem it has never before enjoyed in this region. It extends now throughout the Near East, and is felt by the wild ragged Kurd, the plausible Georgian, the suspicious Azarbaijan, the able Armenian and the grave Turk with equal seriousness. With it or probably because of it there has come wide-spread knowledge of the Fourteen Points submitted by The President,[26] and "self determination" has

[26] *Foreign Relations*, 1918, Supplement 1, vol. 1, p. 15.

been quoted to the Mission by wild Arabs from Shamar and Basra, by every government in Transcaucasia; by the mountaineers of Daghestan, the dignified and able chiefs of the Turkish Nationalist movement at Sivas and Erzerum, and the nomad Kurds who ten minutes before had fired at our party thinking us to be Armenians. Undoubtedly some charges of corruption on the part of native officials connected with the Relief could be substantiated. Charges of partiality favoring Christian against Moslem in equal distress are not infrequent. Due to inexperience, to difficulties of communication and other causes there has been inefficiency on the part of American officials and employees. Enthusiastic young Americans out of touch with the sources of their funds, confronted with the horrors of famine in a refugee population, drew drafts on the good faith and generosity of their countrymen, procedure not usual in the business world, but drafts that were honored nevertheless. Any criticism of unbusinesslike methods must be accompanied with the statement of work accomplished, which has been very great and very creditable to America and her splendid citizens who have so generously contributed to this cause. Colonel Haskell has reorganized the work in the Transcaucasus and is getting better results. In some way funds must be found and this work must be continued and the people be sustained until they can harvest a crop. If seed is available for planting, a crop should be due in August 1920. Even this prospective amelioration only applies to those repossessed of their lands.

There is much to show that left to themselves the Turk and the Armenian when left without official instigation have hitherto been able to live together in peace. Their existence side by side on the same soil for five centuries unmistakably indicates their interdependence and mutual interest. The aged Vali of Erzerum, a man old in years and in official experience, informed us that in his youth, before massacres began under Abdul Hamid, the Turk and the Armenian lived in peace and confidence. The Turk making the pilgrimage to the Holy Cities of Mecca and Medina left his family and property with his Armenian neighbor; similarly the Armenian on the eve of a journey intrusted his treasures to his Turkish friend. Testimony is universal that the massacres have always been ordered from Constantinople. Some Turkish officials were pointed out to us by American missionaries as having refused to carry out the 1915 order for deportation. That order is universally attributed to the Committee of Union and Progress of which Enver Bey, Talaat Bey and Djemal Pasha were the leaders. A court has been sitting in the capital practically since the armistice and one man, an unimportant subordinate, has been hung. Talaat, Enver, and Djemal are at large,

and a group of men charged with various crimes against the laws of war are at Malta in custody of the British unpunished except as restrained from personal liberty. Various rumors place Enver Bey as scheming in the Transcaucasus, and a French officer is authority for the statement that he has been in Tiflis within two months conferring with government officials. This man is in Turkish eyes a heroic figure; risen from obscurity by his own efforts; allied by marriage to the imperial House of Osman; credited with military ability; the possibilities of disturbance are very great should he appear in command of Moslem irregulars on the Azarbaijan–Armenian frontier.

Such are conditions today in the regions where the remnant of the Armenian people exist; roads and lands almost back to the wild; starvation only kept off by American relief; villages and towns in ruins; brigandage rampant in the Transcaucasus; lack of medicines and warm clothing; winter coming on in a treeless land without coal. We saw nothing to indicate that Armenians who have returned to their homes in Turkey are in danger of their lives, but their natural apprehension has been greatly increased by unbalanced advice given by officers on the withdrawal of foreign troops from certain regions. The events at Smyrna have undoubtedly cheapened every Christian life in Turkey, the landing of the Greeks there being looked upon by the Turks as deliberate violation by the Allies of the terms of their armistice and the probable forerunner of further unwarranted aggression. . . . The moral responsibility for present unrest throughout Turkey is very heavy on foreign powers . . . Meantime, the Armenian, unarmed at the time of the deportations and massacres, a brave soldier by thousands in the armies of Russia, France and America during the war, is still unarmed in a land where every man but himself carries a rifle.

The Political Situation and Suggestions for Readjustment

In seeking a remedy for political conditions which shriek of misery, ruin, starvation, and all the melancholy aftermath, not only of honorable warfare, but of beastial brutality unrestrained by God or man, but which nevertheless prevail under an existing empire with which the governments of Europe have long been willing to treat on terms of equality, one's first impulse is to inquire as to the possibility of reform from within. The machinery of government existing, can it be repaired and made a going concern, affording to its people the guarantees of life, liberty and the pursuit of happiness which the modern world expects of its governments? The case for the Turkish Empire was duly presented to the Peace Conference in Paris on June 17th last by the Turkish Grand Vizier, Damad Ferid Pasha, in which

he admitted for the Turkish Government of the unhappy region under consideration, the commission of "misdeeds which are such as to make the conscience of mankind shudder with horror forever" and that "Asia Minor is today nothing but a vast heap of ruins". In reply made by the Council of Ten of the Peace Conference, to the plea of the Grand Vizier for the life of his Empire, the probability of that government being able to accomplish reforms from within which will satisfy modern requirements and perhaps make amends for past crimes, is well weighed in the following words:

"Yet in all these changes there has been no case found either in Europe or in Asia or in Africa in which the establishment of Turkish rule in any country has not been followed by a diminution of prosperity in that country. Neither is there any case to be found in which the withdrawal of Turkish rule has not been followed by material prosperity and a rise in culture. Never among the Christians in Europe, nor among the Moslems in Syria, Arabia or Africa has the Turk done other than destroy wherever he has conquered. Never has he shown that he is able to develop in peace what he has gained in war. Not in this direction do his talents lie."

It seems likely, therefore, that as far as the Armenians are concerned the Turk has had his day and that further uncontrolled opportunity will be denied him.

With the break-up of Russia the Transcaucasus found itself adrift. This Transcaucasian region is ethnographically one of the most complicated in the world. In all ages it has been one of the great highways for mankind. Here stragglers and racial remnants have lodged during all the centuries that the tides of migration have swept the base of the great Caucasus range, until today its small area contains five great racial groups, divided into forty distinct races. Nine of these have arrived in comparatively recent times, but the remaining thirty-one are more or less indigenous. There are here twenty-five purely Caucasian races. This racial diversity is complicated by the fact that with the exception of the fairly compact group of Georgians, and one of Tartars, these peoples are inextricably commingled throughout the region. Their civilization varies from the mountain savage to individuals of the highest types. Of the forty distinct races, the most important groups are the Georgians, the Azarbaijanese Tartars and the Armenians.

A Transcaucasian Confederation formed by all the peoples in that region was followed by an alignment in three small republics, Georgia, Azarbaijan and Armenia. Georgia is Christian and its Iberian population are in the majority; Azarbaijan is Tartar and Moslem; Armenia is made up of the former provinces that composed Russian Armenia, less the part that went to Azarbaijan in the split, and the majority of its people are the blood brothers of the Arme-

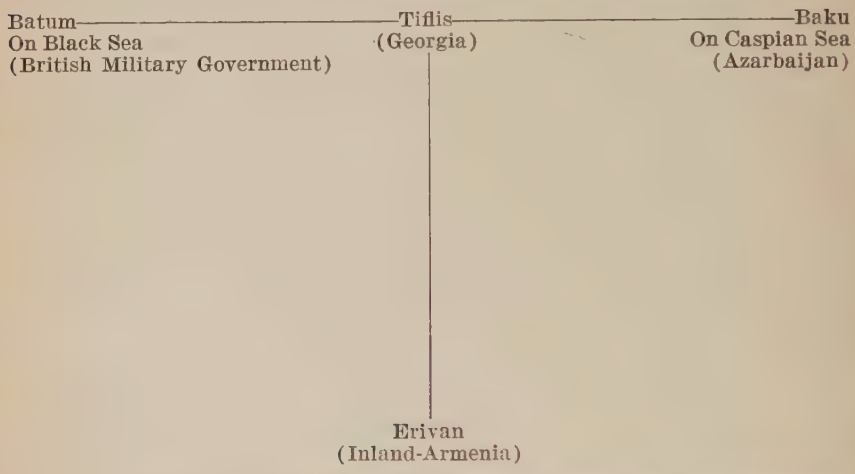
nians of Turkey in Asia. These republics have been recognized by none of the Powers except Turkey. The Armenian Republic seeks at the Peace Conference a union with the Turkish Armenians and the creation of an Armenian state to include Russian Armenia and the six Turkish vilayets (Van, Bitlis, Diarbekir, Kharput, Sivas, Erzerum) and Cilicia, to be governed by a mandatory of the Great Powers during a transition state of a term of years in which Armenians of the Dispersion may return to their homes, and a Constituent Assembly be held to determine the form of the eventual permanent government. Georgia and Azarbaijan ask independence at the Peace Conference with certain adjustments of disputed boundaries in which all Transcaucasia is interested.

Both Georgia and Azarbaijan living on the salvage from the wreck of Russia, have persuaded themselves that the civilization and governmental and business machinery they have taken over have been theirs from the beginning. The Georgians with a church of their own antedating that of Russia, and traditions of a Georgian dynasty of Armenian origin which reigned in Tiflis for a thousand years before Russia took over the country in 1802, are a very proud and plausible race. They have been much influenced by the proximity of Bolshevism, fly the red flag of revolution over their own, and have nationalized land, taking it from the original owners without compensation, to sell to peasants. This measure has been unsatisfactory to both peasant and proprietor. The Azarbaijanese are Tartars by blood and Moslem by religion and sympathy. The varied topography of their little country and the diversity of its products make them more independent of outside help than either of the other Transcaucasian republics. Both Georgian and Azarbaijan governments live in terror of the forces of Denikin coming south of the Caucasus mountains. Georgia has her little army on her northern frontier, and Azarbaijan has a tacit agreement with General Denikin to refrain from hostilities against him in return for immunity from attack by his gunboats on the Caspian Sea.

The Russian Armenians are the blood brothers of those in Turkey, and came under Russian domination in 1878. They absorbed many Russian manners and customs, and the wealth and ability of the race gave them a predominant role in the Transcaucasus under Russia, Tiflis which was the Russian capital has probably the largest Armenian population of any city in the world except New York and Constantinople. They are friendly to Denikin and a reconstituted Russia, and their refusal to join Georgia and Azarbaijan against Denikin caused the break-up of the Transcaucasian Confederation.

The dominant civilization in Transcaucasia is Russian. Everything worth while in the country is due to Russian money and Rus-

sian enterprise. Beside this common bond these countries are interdependent in the matter of transportation. From Tiflis, the capital of Georgia, a railroad runs west to the Black Sea at Batum and east to the Caspian Sea at Baku, the capital of Azarbaijan; and south to Erivan, the capital of the Republic of Armenia. The road is one system, of the Russian gauge, with the three radii from Tiflis each ending in a different country, something like the following:



Under Russia, the road was, of course, under one management, with shops, rolling stock and policy in common. Georgia now controls the shops; Azarbaijan the oil fuel, and each of the three such rolling stock as it can get. No one of the three trusts the others; no through or continuous traffic is possible without an outside power guaranteeing the return of the rolling stock when it passes from one jurisdiction to another. Georgia does not hesitate to embargo freight against Armenia, and from her position of vantage simply censors the railroad traffic to that unfortunate country. Azarbaijan controls the fuel supply and combines with Georgia against Armenia, which alone of the three has nothing by which to exert leverage. The railroad can neither be consolidated, nor properly operated under native control. Roadbed and rolling stock are rapidly deteriorating. An example of the power of Georgia over Armenia is that the latter is not permitted to import either arms or ammunition, though under almost constant menace from its neighbors.

The three governments from an occidental standpoint are now thoroughly inefficient, without credit, and undoubtedly corrupt. Alone each faces inextricable financial difficulties. Religious differences, added to racial, threaten to embroil them unless brought under a common control. Two of them have no outlet to the Black

Sea except through Georgia over the railroad. They have no present intermonetary, postal or customs union, and as stated, no definite agreement for common control and use of the railroad, and are in continual squabbles over boundaries. Azarbaijan has no educated class capable of well administering a government; Georgia cannot protect itself against Bolshevism; Armenia is in ruins, and partial starvation. All our investigation brings conviction that the people in each would welcome a mandatory by a trustworthy outside power. Russian Armenia would today probably vote a mandate to Russia if that power were reconstituted. Georgia recalls its ancient independence and was never thoroughly reconciled to Russian rule. Azarbaijan, Tartar and Moslem, feels a double tie to Turkey and distrusts the Christian, but the more intelligent people realize that outside control is inevitable and even necessary to their relations with Christian countries and that Turkey is beyond consideration. So closely are the countries related geographically, commercially and by the habit of generations that this Mission not only believes that a mandatory is necessary for them, but that it is imperative from every standpoint of peace, order, efficiency and economy that the same power shall exercise a mandate over them all, leaving for the present their interior boundaries unsettled. The ultimate disposition or form of government of these states, other than that they may look forward to autonomy but not necessarily independence, should in our opinion not now be announced. Their capacity for self-government and their ability to sustain amicable and workable relations among themselves remain to be tested under control by such power as may be induced to undertake its supervision, facing a long period of tutelage for possibly unappreciative and ungrateful pupils, much expense, probably diplomatic embarrassment from a reconstitution of Russia, and little reward except the consciousness of having contributed to the peace of the world and the rehabilitation of oppressed humanity.

The covenant of the League of Nations contemplates that "certain communities formerly belonging to the Turkish Empire" shall be subject to a Mandatory Power for an unstated period, thus appearing to recognize in advance the dismemberment to some degree of that Empire. (The underscoring is ours.) This, in connection with the arraignment of the Turkish Government in the reply of the Peace Conference, partly quoted on page 15 *ante*,[26] may not unreasonably be construed to apply to any or all parts of the Turkish Empire, as fast as they reach a certain stage of development. As between actual dismemberment and a receivership for his entire country the Turk would beyond doubt prefer a mandatory for the

[26] See p. 852.

whole empire as it may stand after adjudication by the Peace Conference. Bad as he is, without the pale of consideration from many standpoints, there would seem to be no objection to action taken in his interest and in line with his preference if the interest and inclination of the world lie in the same direction.

A Power which should undertake a mandatory for Armenia and Transcaucasia without control of the contiguous territory of Asia Minor—Anatolia—and of Constantinople, with its hinterland of Roumelia, would undertake it under most unfavorable and trying conditions, so difficult as to make the cost almost prohibitive; the maintenance of law and order and the security of life and property uncertain; and ultimate success extremely doubtful. With the Turkish Empire still freely controlling Constantinople such a Power would be practically emasculated as far as real power is concerned. For generations these peoples have looked to Constantinople as the seat of authority. The most intelligent and ambitious Armenians have sought the capital as a career. The Patriarch of the Armenian Church in Constantinople, although subordinate in matters of doctrine to the Catholicos at Etchmiadzin, is in reality the political head of the Armenian people by his location in Constantinople. Every people in the Empire is numerously represented at the capital,—the Armenians reaching before the war the number of 150,000, with business connections ramifying to distant corners of the entire country. To no small degree the future business and industrial development of their native land will depend upon these men. Transportation lines and commerce center at Constantinople. Before the war Constantinople was the most important port in Continental Europe reckoned upon the basis of shipping clearances. There are well-informed business men who believe it is destined to become the third most important commercial city in the world. But, through generations of habit, unless put under a mandatory, Constantinople will continue to be a whirlpool of financial and political currents. Concession-hunting, financial intrigue, political exploitation and international rivalries will center there in the future as in the past. Concerted international action for control of Constantinople is impracticable. All concerts for governmental action are cumbersome; all concerts must have a leader to secure effectiveness, and were it possible to agree upon one power which should really lead, the reality of the mandate would exist with the handicap of a camouflage concert. In any concert for the future government of Constantinople there would still exist the temptation for single powers to play politics and befriend Turkey for value received. There must be actual control, for responsibility without authority is worse than useless in a land of oriental viewpoints. . . . As

Americans supposed to be disinterested this Mission was the recipient of confidences from various sources. Turks, when not deriding these foreign efforts were deploring their effect on their unfortunate empire. . . . Without dependable centralized control of Constantinople a Power exercising mandate in Armenia would be crippled in administration, restricted in trade development, ridden by concessionaires, dependent on Turkish discredited diplomacy for redress of local and boundary grievances, and in extreme case practically cut off from communication with the Western World. It is believed that Allied sentiment is so crystallized in the opinion that Constantinople must be placed under a mandatory that it may safely be assumed in the report that this will be done.

Conceded that there shall be a mandate for Armenia and Transcaucasia, and one for Constantinople and Anatolia, there are many considerations that indicate the desirability of having such mandates exercised by the same Power. If separate Powers exercised such mandate the inevitable jealousies, hatreds, exaggerated separatist tendencies, and economic difficulties would compel failure. With all its faults the Turkish Empire is an existing institution and it has some rusty blood-stained political machinery which under control of a strong mandatory can be made to function. The peoples in question live in adjacent territory and whether they wish it or not are neighbors. A single mandatory for the Turkish Empire and the Transcaucasus would be the most economical solution. No intelligent scheme for development of railroads for Transcaucasia, and Armenia can be worked out without extension into Anatolia. Natural highways through the high mountains of Armenia are few, and transportation development will, with proper feeders, at best, be costly and difficult. Without access into Anatolia it will be impossible. For many years the expenses of exploitation will not be met by equivalent receipts. This situation would be alleviated by control of both regions. With Constantinople, Anatolia and Armenia in different hands, the manufacturers and exporters of Armenia could not hope for an equal share in the commerce and trade of the Near East.

The Armenian Patriarch, the head of the Armenian Protestants and others at Constantinople, on our return from Armenia called and volunteered the belief that the Armenian question could not be settled within the boundaries of that country, and that they were prepared to pass under a single mandate which should include the other parts of the Turkish Empire. In a later written statement,* however, they modified this, stating that while "Different nations

* See Exhibit "B", joint letter, October 15, 1919, from Armenian Patriarch, Catholic Armenian Patriarchat, and the Vekil of Armenian Protestant Community. [Footnote in the original; this exhibit is not printed.]

of this empire may enjoy the help of the same mandatory power" they felt that to bring Armenia under the same system of administration as that of the Turks would defeat the object of the development of Armenian ideals, "because by assuring the individual rights of a people the national rights and ideals of the same people cannot necessarily be assured"; that "Giving a good government to the whole Turkish Empire will not induce the Armenians to gather to their native land. They will still be a scattered people, etc., etc."

A party of distinguished Turks, including a former cabinet minister of high standing, and a diplomat who for eight years represented his country at one of the European courts, stated that as between the independence of Turkey as it existed in 1914, and a mandate for the empire given to the United States they greatly preferred the latter, and believed that they spoke for the educated classes of all Turkey.

It has been very evident to this Mission that Turkey would not object to a single disinterested Power taking a mandate for her territory as outlined in the Armistice with the Allies, and that it could be accomplished with a minimum of foreign soldiery, where an attempt to carve out territory for any particular region would mean a strong foreign force in constant occupation for many years. The aim of the Nationalist, or National Defense Party, as its adherents style it, as stated by Mustapha Kemal Pasha, its head, is the preservation of the territorial integrity of the empire under a mandatory of a single disinterested Power, preferably America.

The Mission, while at Sivas, had a conference with the chiefs of this party, which held a congress at Erzerum in July and one at Sivas in September. This movement has been the cause of much apprehension on the part of those interested in the fate of the Armenians, to whose safety it has been supposed to portend danger. The leader, Mustapha Kemal Pasha, is a former general officer in the Turkish Army, who commanded, with distinction, an Army Corps at the Dardanelles, and appears to be a young man of force and keen intelligence. He is supposed to have resigned from the army to lead this movement. It sought, as a means to its end, the overthrow of the Ferid Pasha Cabinet, which has since fallen, claiming that it was entirely under the influence of one of the great powers which itself desires a mandate for the empire. While professing entire loyalty to the Sultan the Nationalist leader had gone to the extremity of cutting all official telegraph communications between the capital and the interior, pending the removal of the cabinet. The fall of the Damad Ferid Pasha ministry in October would seem to put the empire behind the movement, for the Turkish officials in the interior were already identified with it. In a state-

ment given out on October 15th, Mustapha Kemal † said "The Nationalist Party recognized the necessity of the aid of an impartial foreign country. It is our aim to secure the development of Turkey as she stood at the armistice. We have no expansionist plans but it is our conviction that Turkey can be made a rich and prosperous country if she can get a good government. Our government has become weakened through foreign interference and intrigues. After all our experience we are sure that America is the only country able to help us. We guarantee no new Turkish violences against the Armenians will take place."

The events of the Greek occupation of Smyrna and the uneasiness produced by the activities and propaganda of certain European powers have so stirred the Turkish people in the long interval since the armistice, that the Mission fears that an announcement from Paris at this time of an intention to carve from Turkey a state of Armenia, unless preceded by a strong military occupation of the whole empire might be the signal for massacres of Christians in every part of the country. There is no wisdom in now incorporating Turkish territory in a separate Armenia,—no matter what the aspirations of the Armenians. Certainly it is unwise to invite trouble which may be avoided by the consolidation of the mandate region under a single power. Under one mandatory they will be neighbors. Under two or more they will be rivals; their small differences subjected to the interminable processes of diplomatic representation; with the maintenance of duplicate and parallel establishments in many lines of governmental activity. Only under a single mandatory can the matter of ultimate boundaries be deferred, which is believed by this Mission to be important.

In the proposition to carve an independent Armenia from the Ottoman Empire there is something to be said on the part of the Turk; namely, that his people even when all the refugees shall have returned to their homes, will be in the majority in the region contemplated for a reconstituted Armenia,—and they were in the majority before the deportations took place,—even though due, as it may be, to the gerrymandering of provincial boundaries and the partial extermination of a people. Notwithstanding his many estimable qualities, his culture, and his tenacity of race and religion, the Armenian generally does not endear himself to those of other races with whom he comes in contact. The Armenian stands among his neighbors

† See Exhibits: "C", Statement of Mustapha Kemal Pasha concerning organization, objects, "League for the Defense of the Rights of Anatolia and Roumelia"; "D", Gen Harbord's letter, Oct. 9, 1919, to Mustapha Kemal; "E", Declaration of the Congress of Sivas; "F", Resolution of National Congress of Sivas addressed to Senate of the U.S. of America requesting that Senatorial committee visit and investigate conditions within Ottoman Empire. [Footnote in the original.]

very much as the Jew stands in Russia and Poland, having as he does, the strong and pre-eminent ability of that race. He incurs the penalty which attaches among backward races to the banker, the middleman, and the creditor. Unjust as it may be, the sentiment regarding him is expressed by this saying current in the Near East: "The Armenian is never legally in the wrong; never morally in the right". Even the American Missionary who in so many instances has risked his life for his Armenian charges, does not as a rule personally like the Armenian as well as he does the more genial but indolent and pleasure-loving Turk. The Armenian is not guiltless of blood himself; his memory is long and reprisals are due, and will doubtless be made if opportunity offers. Racially allied to the wild Aryan Kurd he is cordially hated by the latter. Kurds appealed to this Mission with tears in their eyes to protect them from Armenians who had driven them from their villages, appealing to be allowed to go back to their homes for protection against the rigorous winter now rapidly approaching on the high interior plateau. The Kurds claim that many of their people were massacred under the most cruel circumstances by Armenian irregulars accompanying the Russian bolshevists when the Russian army went to pieces after the collapse of the empire. Similar claim is made by the people of Erzerum who point to burned buildings in which hundreds of Turks perished, and by the authorities of Hassan-Kala, who give the number of villages destroyed by the Armenians in their great plain as forty-three. According to British Consul Stevens at Batum, these statements were verified by a commission which examined into the allegations, and on which Armenians had a representation. In Baku the massacre of 2,000 Azarbaijanese by Armenians in March 1918, was followed by the killing of 4,000 Armenians by Azarbaijanese in November of the same year. From the standpoint of this Mission the capacity of the Armenian to govern himself is something to be tested under supervision. With that still in doubt the possibility of an Armenian minority being given authority over a Moslem majority against whom its hearts are filled with rancor for centuries of tyranny, may well justify apprehension, . . . There are very many who believe that the best elements of the Armenian race have perished. It is believed that with the reestablishment of order in their native country many of those who have emigrated to other countries will return. That, however, can only come with time, and even then it is doubted if many of the wealthy and influential Armenians long domiciled in happier lands will return to their somewhat primitive ancient home, even though such absentees have raised their voices most loudly for an autonomous Armenia. Certainly with arbitrary boundaries on the Anatolia side determined only by Armenian wishes, expediency,

tradition, or even verified historical claims of former occupation, without regard to the present population, the mandatory powers for both Anatolia and Armenia should inaugurate government by placing a cordon of trustworthy foreign soldiers from the Black Sea to the Mediterranean. With a single Power in control of both peoples and boundaries unannounced except as they have hitherto existed, such difficulties would not arise. Against such combination of authority and postponement of delimitation of boundaries is to be weighed the unchangeable belief of many that the Turk at the end of his tutelage will still be the Turk, bloodthirsty, unregenerate and revengeful, and that it is unthinkable that Armenia shall ever again form part of a country which may be governed by him; that the sufferings of centuries should now be terminated by definite and permanent separation of Armenia from Turkey; and that this plan seems to contemplate a tutelage of indefinite length. To this the reply is that the Armenian should have no fear to submit his case to the League of Nations,—the Court of the World,—and that he must in the meantime prove his capacity not only to govern himself but others, and that at the behest of the Great Powers a plebiscite could be had and the mandatory at any time be terminated by detachment of his territory from Anatolia as well as now and with much greater safety to him and convenience to his benefactors.

The conclusion of the American Military Mission to Armenia is that the remedy for the existing conditions in Armenia and the Transcaucasus is a mandatory control to be exercised by a single great power. The Armenian question cannot be settled in Armenia. It cannot be finally settled without answering two questions:

What is to be done with Turkey?
What is Russia going to do?

Pending the ultimate settlement of these questions the Mission believes that, for reasons set forth, the power which takes a mandate for Armenia and Transcaucasia should also exercise a mandate for Anatolia, Roumelia and Constantinople; the boundaries of the Turkish vilayets of Armenia and Anatolia and the interior boundaries of Russian Armenia, Georgia and Azarbaijan to remain as they are for the present. The divisions of such mandate are an administrative detail to be worked out by the mandatory power. Good administration indicates that there should be some intermediate authority between the provinces and the capital. A natural subdivision of such a mandate as has been indicated would probably be:

Roumelia;
City of Constantinople; (federal district)
Anatolia;
Armenia;
District of Transcaucasia, (less Russian Armenia)

The inclusion of the whole Turkish Empire under the government of a single mandatory would be simpler and proportionately more economical than to divide it. A plebiscite fairly taken would in all probability ask for an American mandate throughout the Empire. Syria and Mesopotamia, however, not being considered essential to the settlement of the Armenian question or as being the field for possible American responsibilities and interests in the Near East as contemplated in the instructions to the Mission, because actually occupied by France and Great Britain at this time, have been considered by us as excluded from our consideration, as is for a similar reason Arabia. In its belief that the Armenian problem is only to be solved by a mandatory which should include also Constantinople, Anatolia, Turkish Armenia and the Transcaucasus, the Mission has the concurrence of many Americans whose views by reason of long residence in the Near East, are entitled to great weight: Such Americans are practically a unit in believing that the problems of Armenia, Transcaucasia, Anatolia and Constantinople must be considered as an inseparable whole. . . .

The Mission has a strong conviction that the nation which may be induced by its colleagues to undertake this mandate should be one prepared steadfastly to carry out a continuity of policy for at least a generation, and to send only its most gifted sons to leadership in the work without regard to political affiliations. Only on the certainty of continuity of a non-partisan policy would the best men forsake their careers in their own country to take up its burdens in these Eastern lands. No disinterested nation would undertake such a mandatory except from a strong sense of altruism and international duty to the peace of the world in this breeding place of wars and at the unanimous wish of other parties to the Covenant of the League of Nations.

No duty of modern times would be undertaken under so fierce a glare of publicity. Such nation would hold the center of the international stage with the spotlight from every foreign office and from every church steeple in the world focussed upon it. No nation could afford to fail, or to withdraw when once committed to this most serious and difficult problem growing out of the Great War. No nation incapable of united and non-partisan action for a long period should undertake it.

The Conditions and Problems Involved in a Mandate for Turkey and Transcaucasia

This report has heretofore endeavored to consider the conditions and questions of which it treats in the abstract sense applicable to any nation which might be induced to assume the task of a practical

regeneration of this region. Its interest for our country, however, lies in the possibility that it [*the United States*] may be called upon by the world to undertake the task, and the necessity therefore of knowing what it would mean for America. The problems for the United States would not be identical with those of any other nation which might undertake it. A not too sympathetic Old World, without pretensions to altruism or too much devotion to ideals, will expect of America in the Near East the same lofty standards shown in Cuba and the Philippines,—the development of peoples rather than of material resources and commerce. Distance, our time-honored detachment from the affairs of the Old World, our innocence from participation in the intrigues which have hitherto characterized intercourse with the Turk, our freedom from bias through the necessity of considering moslem public opinion in other parts of the world, and the fact that we have no financial interest in the great foreign debt of the Ottoman Empire, give America a viewpoint and an advantage in approaching the situation that are enjoyed by no other great power. A great part of the work of the Mission has been devoted to a consideration of the situation as it would affect our own country should it be invited to assume a mandate in the Near East. The problem as a whole has been kept in mind while individual members of the Mission have made special inquiry into different matters of which knowledge is necessary to reach an intelligent appreciation of the difficulties to be solved in this region. Each of these studies constitutes a unit on the subject with which it deals, too important to justify the risk of an attempt at epitomizing for this report. They are therefore submitted as appendices as follows: [27]

A,—Political Factors and Problems, by Captain Stanley K. Hornbeck, Ordnance Department, U.S. Army.

B,—Government in Turkey and Transcaucasia, by Lt. Col. Jasper Y. Brinton, J.A., U.S. Army.

C,—Public and Private Finance of Turkey and Transcaucasia, by Prof. W. W. Cumberland.

D,—Commerce and Industry in Turkey and Transcaucasia, by Trade Commissioner Eliot Grinnell Mears.

E,—Public Health and Sanitation, by Col. Henry Beeuwkes, Medical Corps, U.S. Army.

F,—Population; Industrial and Other Qualities; Maintenance, by Lt.-Col. John Price Jackson, Engineers, U.S. Army.

G,—Climate, Natural Resources, Animal Industry, and Agriculture, by Lt.-Col. E. Bowditch, Inf., U.S. Army.

H,—Geography, Mining and Boundaries, by Major Lawrence Martin, General Staff, U.S. Army.

I,—The Press of Turkey and Transcaucasia, by Major Harold W. Clark, Inf., U.S. Army.

[27] The appendices are not printed.

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J,—The Military Problem of a Mandatory, by Brig.-Gen. Geo. Van Horn Moseley, General Staff, U.S. Army.

K,—Transport and Communications in Asia Minor and the Transcaucasus, by Wm. B. Poland, Engineer Member of the Mission.

L,—Bibliography.

The Military Problem

Our country has so recently sent its young manhood to war overseas, and the heart of the nation is so sensitive to any enterprise which calls for its sons to serve as soldiers in distant lands, that the greatest interest attaches to the military problem involved in any mandate to which our people may ever give consideration.

The immediate problems which would lay before the Army and Navy of a mandatory power in Turkey and Transcaucasia are:

(*a*) The suppression of any disorder attendant upon withdrawal of occupying troops and the initiation of the government.

(*b*) The maintenance of order until a constabulary could be organized for the rural police of the mandatory region.

(*c*) To help organize and train a native constabulary.

(*d*) To constitute a reserve for moral effect; for possible actual use in supplementing the local constabulary in case of emergency; and for the prestige of the mandatory government in a region which has been governed by force since the beginning of history.

The inauguration of a mandatory government would be followed at a very early date by the withdrawal of the foreign troops now occupying the region, and by the dissolution as soon as practicable of the permanent military establishments now maintained by Turkey and Transcaucasia. The United States accepting the mandate at the request of the other great powers and of the peoples interested, no resistance to her troops would be anticipated. On the contrary, they would doubtless be welcomed. No problem of external defense of the country occupied would exist.

(*a*) The present occupying force of the region under consideration, Roumelia, Constantinople, Anatolia, and Transcaucasia, excluding five Greek divisions occupying Smyrna, is the Army of the Black Sea and the troops in Cilicia, comprising about 50,000 of the British, French, Italian and Greek Governments. The regular troops of Turkey and Transcaucasia to be disbanded in the same region at the convenience of the mandatory government aggregate about 92,000 men. The gendarmerie of Turkey amounts to about 30,000 men. The loss of man power in Turkey has been appalling, and too many men are still absent from work and carrying rifles.

It is not thought that any serious disorder would attend this substitution of the troops of the mandatory power for the army of occupation, and for the native regular forces.

(*b*) During the formation of an efficient native constabulary, a period of six months to a year, small garrisons would have to be furnished along the railroads and in isolated towns, especially on the old frontiers, where feeling runs high between races. This would give security while the various nationals are being repatriated reconstructing their homes, and adjusting themselves to new conditions. The suppression of outlaw bands which already exist in some localities, and the formation of which in Eastern countries invariably follows the disbandment of armies after a long war, would call for constant use of a certain number of United States troops pending the completion of the constabulary organization for service. During this period the disarmament of the civilian population would be accomplished.

(*c*) The first duty of a mandatory would be to guarantee the safety of life and property through the country, and to this end its earliest efforts should be directed to the establishment of a native rural police or constabulary for the suppression of brigandage outlawry and other crimes outside the towns. This force, with a military organization, should be a force of peace officers as that term is used in our own country, empowered to make arrests of criminals of all kinds, serve warrants, execute orders of arrest, etc. While decentralized in its administration, and destined eventually to operate in small bodies, it should be a Federal force, co-operating with but not serving under provincial officials. Its personnel should absorb the best elements of the present gendarmerie, and also provide suitable employment for deserving officers of the disbanded armies. For a considerable period its highest officers would necessarily be Americans but as fast as the quality of the native officers justifies, the force should become native. The strength of the constabulary should be such as to enable it to take over the whole task of maintaining order outside the towns and release American troops at the earliest practicable date. Coincident with the organization of the constabulary would be the creation of efficient municipal police.

(*d*) Considering the uncertain character of the neighboring populations, the traditional lawlessness of migratory Kurds and Arabs, and the isolation of certain regions where the temptation to reprisals for past wrongs will be strong for at least a generation, a certain force must be kept in hand to supplement the native constabulary when needed. Such a force will also be necessary for general moral effect. Its mere existence will prevent organized disorder on a scale too large for a peace force to handle. Such a force would be stationed near the capital, trained for quick expeditionary work, and sent where needed.

The character of the troops should be suited to the purpose for which used. For expeditionary purposes marines or infantry with artillery would be best. For moral effect in the interior and during the period of constabulary organization cavalry would be preferable. A small efficient air service should be maintained. The aeroplane is not only a means of very rapid communication, but its value for dealing with a distant small problem among half-wild tribes cannot be overestimated. The country much resembles Mexico and the conditions would be not unlike our border cavalry service. A regiment of railway engineers would be a necessity. During the initial period of the mandatory troops would be needed in connection with the general problem of sanitation and cleaning up and an extra proportion of sanitary troops would be necessary.

Estimates of the necessary number of mandatory troops vary greatly,—from twenty-five thousand to two hundred thousand. Conditions change so rapidly that plans made today for the use of troops might be obsolete in six months. . . . Uncertainty as to the time the mandate will be tendered and accepted make estimates merely approximate. Under conditions as they exist today the undersigned believes that a force of two American divisions, with several hundred extra officers, or a total force of fifty-nine thousand would be ample. Such force would be specially organized; one aeroplane squadron; a minimum of artillery; not to exceed one regiment of seventy-five's motorized; a minimum of the special services; four times the usual number of sanitary troops; four regiments of cavalry, with minor changes in organization at the discretion of the senior general officer on duty with the mandatory government. This force should be substantially reduced at the end of two years, and by fifty percent at the end of the third year. After that some further reduction could be slowly effected, but the irreducible minimum would be reached at about the strength of one division.

The annual cost for the force of the army above stated would be at the maximum;—

For the first year	$88,500,000
At the end of two years perhaps	59,000,000
At the end of three years	44,250,000

with thereafter a continuing appropriation of that sum less such amount as the local revenues could afford, probably a very substantial fraction of the cost.

To offset our expenditures there would be available at least a part of the naval and military budget hitherto used for the support of the disbanded armies in the region. In Turkey before the war this totaled about $61,000,000 annually for the army including $5,000,000 for the navy.

The naval establishment should consist of a station ship for the capital, and probably one each for Smyrna, Mersina, Batum and Baku, to meet local needs in quick transportation of troops. A transport of light draft capable of carrying a complete regiment should be permanently on station at the capital. Four to six destroyers would be needed for communication and moral effect. Collier, repair and hospital service afloat should be in proportion. Old ships of obsolete type would probably answer for all except the station ship at the capital and the destroyers. Some ships of the Turkish Navy, of which there are over thirty, could doubtless be used with American crews soon to be replaced by natives.

The naval establishment might not entail any additional Federal appropriations. Ships and personnel could probably be drawn from existing establishment; the only additional expense would probably be the difference in cost of maintenance in Near Eastern and home waters.

It is very important that a proper military and naval setting be given the mandatory government at the beginning. In no part of the world is prestige so important, and in no region have people been so continuously governed by force. The mandatory could at the outset afford to take no unnecessary risks among such a population in densest ignorance as to our resources and our national traits.

Conclusions

This Mission has had constantly in mind the moral effect to be exercised by its inquiry in the region visited. Very alarming reports had been received from Transcaucasia for several months before its departure from France, particularly as to organized attacks by the Turkish Army impending along the old international border between Turkey and Russia. The itinerary of the Mission through Turkey was planned with those reports before it and with the intention of observing as to their truth and if possible to exert a restraining influence. We practically covered the frontier of Turkey from the Black Sea to Persia, and found nothing to justify the reports. The Turkish Army is not massed along the border; their organizations are reduced to skeletons; and the country shows an appalling lack of people, either military or civilian. At every principal town through which we passed the Chief of the Mission held a conference with the Turkish officials. Inquiry was made as to the Christian community, some members of which were always interviewed; the interest of America in its own missionaries and in the native Christians was invariably emphasized; the Armenian deportations, the massacres and the return of the survivors were discussed on each occasion, as well as other matters intended to convince Turkish officials that their country is on trial before the world. The visit of the Mission has

had a considerable moral effect in securing the safety of Christian lives and property pending action by the Peace Conference.

We would again point out that if America accepts a mandate for the region visited by this Mission, it will undoubtedly do so from a strong sense of international duty, and at the unanimous desire, so-expressed at least, of its colleagues in the League of Nations. Accepting this difficult task without previously securing the assurance of conditions would be fatal to success. The United States should make its own conditions as a preliminary to consideration of the subject,—certainly *before* and not *after* acceptance, for there are a multitude of interests that will conflict with what any American would consider a proper administration of the country. Every possible precaution against international complications should be taken in advance. In our opinion there should be specific pledges in terms of formal agreements with France and England, and definite approval from Germany and Russia of the dispositions made of Turkey and Transcaucasia, and a pledge to respect them.

Of particular importance are the following:

Absolute control of the foreign relations of the Turkish Empire, no ambassador, envoy, minister, or diplomatic agent to be accredited to Turkey, and the latter to send none such abroad.

Concessions involving exclusive privileges to be subject to review if shown to be contrary to the best interests of the state.

Concessions undesirable from the standpoint of the mandatory upon which work has not been started to be cancelled. Compensation to be allowed to holders when necessary.

The system by which specified revenues are assigned for particular purposes to be discarded. All revenues to be controlled by the Treasury, and all creditors to look only to the Treasury as the source of payment.

Foreign control, over Turkey's financial machinery to cease, meaning the dissolution of the Council of Administration of the Ottoman public debt, reserving the right to retain some individual members of the Council as advisors because of their familiarity with Ottoman finances.

All foreign obligations of the Empire to be unified and refunded.

Those countries receiving territory of the Turkish Empire, e.g., Syria, and Mesopotamia, to assume their reasonable share of the paper currency, of the foreign obligations, and of obligation for possible reparation payments.

Abrogation, on due notice, of existing commercial treaties with Turkey.

All foreign governments and troops to vacate territorial limits of mandate at dates to be fixed by the mandatory power.

Consent to many of these measures would not easily be obtained. Many nations now have some sort of financial control within the Ottoman Empire, and they would not see this control taken away without protest.

It needs no argument, however, to show that the United States could not submit to having her financial policies controlled from foreign capitals. The refunding of the debt, possibly with a reduction of the capital amount, would raise a storm of protest, but it should be insisted upon. Otherwise an American administration would be embarrassed and run the risk of being discredited.

The Mission has not felt that it is expected to submit a recommendation as to the United States accepting a mandate in the Near East. It, therefore, simply submits the following summary of reasons for and against such action, based on all information obtainable during six weeks constant contact with the peoples of the region:

REASONS FOR	REASONS AGAINST
1. As one of the chief contributors to the formation of the League of Nations, the United States is morally bound to accept the obligations and responsibilities of a mandatory power.	1. The United States has prior and nearer foreign obligations, and ample responsibilities with domestic problems growing out of the war.
2. The insurance of world peace at the world's cross-ways, the focus of war infection since the beginning of history. Better millions for a mandate than billions for future wars.	2. This region has been a battle ground of militarism and imperialism for centuries. There is every likelihood that ambitious nations will still maneuver for its control. It would weaken our position relative to Monroe Doctrine and probably eventually involve us with a reconsituted Russia. The taking of a mandate in this region would bring the United States into the politics of the Old World, contrary to our traditional policy of keeping free of affairs in the Eastern Hemisphere.
3. The Near East presents the greatest humanitarian opportunity of the age,—a duty for which the United States is better fitted than any other,—as witness Cuba, Porto Rico, Philippines, Hawaii, Panama, and our altruistic policy of developing peoples rather than material resources alone.	3. Humanitarianism should begin at home. There are a sufficient number of difficult situations which call for our action within the well recognized spheres of American influence.
4. America is practically the unanimous choice and fervent hope of all the peoples involved.	4. The United States has in no way contributed to and is not responsible for the conditions, political, social or economic, that prevail in this region. It will be entirely consistent to decline the invitation.

5. America is already spending millions to save starving peoples in Turkey and Transcaucasia and could do this with much more efficiency if in control. Whoever becomes mandatory for these regions we shall be still expected to finance their Relief, and will probably eventually furnish the capital for material development.

6. America is the only hope of the Armenians. They consider but one other nation, Great Britain, which they fear would sacrifice their interests to Moslem public opinion as long as she controls hundreds of millions of that faith. Others fear Britain's imperialistic policy and her habit of staying where she hoists her flag.

For a mandatory America is not only the first choice of all the peoples of the Near East, but of each of the great powers, after itself.

American power is adequate; its record clean; its motives above suspicion.

7. The mandatory would be self-supporting after an initial period of not to exceed five years. The building of railroads would offer opportunities to our capital. There would be great trade advantages not only in the mandatory region, but in the proximity to Russia, Roumania, etc.

America would clean this hotbed of disease and filth as she has in Cuba and Panama.

5. American philanthropy and charity are worldwide. Such policy would commit us to a policy of meddling or draw upon our philanthropy to the point of exhaustion.

6. Other powers, particularly Great Britain and Russia, have shown continued interest in the welfare of Armenia. Great Britain is fitted by experience and government, has great resources in money and trained personnel, and though she might not be as sympathetic to Armenian aspirations, her rule would guarantee security and justice.

The United States is not capable of sustaining a continuity of foreign policy. One Congress cannot bind another. Even treaties can be nullified by cutting off appropriations. Non-partisanship is difficult to attain in our government.

7. Our country would be put to great expense, involving probably an increase of the army and navy. Large numbers of Americans would serve in a country of loathsome and dangerous diseases. It is questionable if railroads could for many years pay interest on investments in their very difficult construction. Capital for railways would not go there except on government guarantee.

The effort and money spent would get us more trade in nearer lands than we could hope for in Russia and Roumania.

Proximity and competition would increase the possibility of our becoming involved in conflict with the policies and ambitions of states which now our friends would be made our rivals.

8. Intervention would be a liberal education for our people in world politics; give outlet to a vast amount of spirit and energy and would furnish a shining example.

8. Our spirit and energy can find scope in domestic enterprises, or in lands south and west of ours. Intervention in the Near East would rob us of the strategic advantage enjoyed through the Atlantic which rolls between us and probable foes. Our reputation for fair dealing might be impaired. Efficient supervision of a mandate at such distance would be difficult or impossible. We do not need or wish further education in world politics.

9. It would definitely stop further massacres of Armenians and other Christians, give justice to the Turks, Kurds, Greeks, and other peoples.

9. Peace and justice would be equally assured under any other of the great Powers.

10. It would increase the strength and prestige of the United States abroad and inspire interest at home in the regeneration of the Near East.

10. It would weaken and dissipate our strength which should be reserved for future responsibilities on the American continents and in our Far Eastern dependency. Our line of communication to Constantinople would be at the mercy of other naval powers, and especially of Great Britain, with Gibraltar and Malta, etc., on the route.

11. America has strong sentimental interests in the region: our missions and colleges.

11. These institutions have been respected even by the Turks throughout the war and the massacres; and sympathy and respect would be shown by any other mandatory.

12. If the United States does not take responsibility in this region, it is likely that international jealousies will result in a continuance of the unspeakable misrule of the Turk.

12. The Peace Conference has definitely informed the Turkish Government that it may expect to go under a mandate. It is not conceivable that the League of Nations would permit further uncontrolled rule by that thoroughly discredited government.

13. "And the Lord said unto Cain, Where is Abel thy brother? And he said: 'I know not; am I my brother's keeper?'"

13. The first duty of America is to its own people and its nearer neighbors.

Our country would be involved in this adventure for at least a generation, and in counting the cost Congress must be prepared

to advance some such sums, less such amount as the Turkish and Trans-Caucasian revenues could afford, for the first five years, as follows:

First Year

General government	$100,000,000
Communications, railroads, etc	20,000,000
Relief, repatriation, education, etc	50,000,000
Army and Navy	88,500,000
Sanitation, etc	17,000,000
Total	275,500,000

Second Year

General government	75,000,000
Communications, railroads, etc	20,000,000
Relief, education, etc	13,000,000
Army and Navy	59,000,000
Sanitation, etc	7,264,000
Total	174,264,000

Third Year

General government	50,000,000
Communications, railroads, etc	20,000,000
Relief, education, etc	4,500,000
Army and Navy	44,250,000
Sanitation, etc	5,000,000
Total	123,750,000

Fourth Year

General government	25,000,000
Communications, railroads, etc	20,000,000
Relief, education, etc	4,500,000
Army and Navy	44,250,000
Sanitation, etc	3,000,000
Total	96,750,000

Fifth Year

General government	15,000,000
Communications, railroads, etc	20,000,000
Relief, education, etc	4,500,000
Army and Navy	44,250,000
Sanitation, etc	2,000,000
Total	85,750,000

Total first year	275,500,000
Total second year	174,264,000
Total third year	123,750,000
Total fourth year	96,750,000
Total fifth year	85,750,000
Grand total	$756,014,000

14. Here is a man's job that the world says can be better done by America than by any other. America can afford the money; she has the men; no duty to her own people would suffer; her traditional policy of isolation did not keep her from successful participation in the Great War. Shall it be said that our country lacks the courage to take up new and difficult duties?

Without visiting the Near East it is not possible for an American to realize even faintly the respect, faith and affection with which our country is regarded throughout that region. Whether it is the world-wide reputation which we enjoy for fair dealing, a tribute perhaps to the crusading spirit which carried us into the Great War, not untinged with hope that the same spirit may urge us into the solution of great problems growing out of that conflict, or whether due to unselfish and impartial missionary and educational influence exerted for a century, it is the one faith which is held alike by Christian and Moslem, by Jew and Gentile, by prince and peasant in the Near East. It is very gratifying to the pride of Americans far from home. But it brings with it the heavy responsibility of deciding great questions with a seriousness worthy of such faith. Burdens that might be assumed on the appeal of such sentiment would have to be carried for not less than a generation under circumstances so trying that we might easily forfeit the faith of the world. If we refuse to assume it, for no matter what reasons satisfactory to ourselves, we shall be considered by many millions of people as having left unfinished the task for which we entered the war, and as having betrayed their hopes.

Respectfully submitted,

J. G. Harbord
Major General, U.S. Army, Chief of Mission

Note. The Mission is indebted for assistance to the American High Commissioner, Rear Admiral Mark L. Bristol, U.S. Navy, and to Consul General G. B. Ravndal at Constantinople, to American Consuls Jackson at Aleppo, and Doolittle at Tiflis, as well as to the Allied High Commissioner to Armenia, Colonel W. N. Haskell, U.S. Army. Acknowledgments are also made to Dr. Mary Mills Patrick, President of the Woman's College of Constantinople; to the authorities of Robert College, particularly Professor Hussein Bey; and to Messrs. Barton, Chambers, Christie, Riggs, Partridge, Professor Robert P. Blake, of National University, Mr. Benjamin Burgess Moore, Chief American Political-Intelligence Mission to the Transcaucasus, Tiflis, and Misses Graffam and Fenanga, as well as to various other representatives of the American Committee for Relief in the Near East, and of the several missionary centers. All of these devoted missionaries have passed years of exile in this country, offering their lives for its betterment, and have the high respect of not only the people among whom they live, but of the various foreign representatives to whom they are known. American Missions and Schools have for a hundred years produced striking and far-reaching results in Asiatic Turkey, and are a credit to our country. The Mission is also under obligation to government officials in all the countries visited, from whom it has received nothing but courteous assistance in its work.

[Enclosure—Exhibits [28]]

Exhibit C

CONDENSED MEMORANDUM CONCERNING THE ORGANIZATION AND POINTS OF VIEW OF THE LEAGUE FOR THE DEFENCE OF THE RIGHTS OF ANATOLIA AND ROUMELIA

I

Our league was not in existence when the Sublime Porte signed the armistice of 30 September 1919 [*October 1918*].

After the conclusion of this convention on the basis of the principle of nationalities as formulated by President Wilson, our nation firmly entertained the hope that it would obtain a just peace and was eagerly looking forward to such a consummation. As a matter of fact the carrying out of the armistice gave arbitrarily rise on the part of the Entente Powers to daily increasing transgressions and violations of its clauses.

The non-Moslem elements with which we have led a joint existence *ab antiquo*, encouraged by the favour shown to them by the Entente Powers, broke into open attacks on the dignity and rights of the Nation and State.

Constantinople, the seat of the Caliphate and Throne, was occupied by the forces of the Entente Powers in a brutal and oppressive form. The police and the gendarmerie having been placed under the control of the occupying Powers. This constituted a *de facto* interference with the administration of the Capital and the independence of the country.

The regions of Adana and Adalia were occupied right up to Koniah. The cession of Smyrna and the surrounding territory as well as of Thrace to Greece and the creation of an extensive Armenian State in eastern Anatolia on the one hand and of a Republic of the Pontus along the Black Sea shore of the Empire, on the other hand, began to be seriously discussed.

It was natural, under these circumstances, that the Turkish Nation should feel deeply affected by these operations directed against the integrity of its territory and independence as well as against its dignity and other legitimate rights.

On the other hand, the Chamber of Deputies, in session at Constantinople, having been dissolved, the Cabinets which came to power in succession and were composed of incapable individuals did not derive their authority from the national forces and escaped the control of the representatives of the Nation. Presently it was realized that these Cabinets were not only lacking in the necessary qualities

[28] Exhibits A and B not printed.

for defending the rights and dignity of the Nation but that they actually lent themselves to the satisfaction of the ambitions of the foreign Powers, principally England, in whose hands they had become simple toys.

Thus it came to pass that the Nation, which began to feel seriously concerned about its existence, felt the necessity of manifesting directly its power and administrative action, by its personal intervention.

As a consequence, national organizations sprang up spontaneously in every part of the country.

Of these national organizations the following are the principal: "The Erzeroum Association for the defence of the Fatherland", "The Diarbekir Association for the defense of the Fatherland", "The Cilicia Association for the defense of national rights", "The Smyrna Association for the defense of national rights" (This association latterly assumed the name of "Association for defending the national rights and preventing cession of territory"), "The Thrace and Pasha Ili Association", (this association having combined with the associations of Western Thrace adopted the general denomination of "Association of Thrace"). A number of associations were also formed in Constantinople of which the "National Unity Association" is the principal.

These associations have no connection whatsoever with the existing political parties or those in course of formation. On the contrary, they are entirely free from all political ambition and owe their existence exclusively to the common aim of safeguarding the territorial integrity and other rights of the Nation and State. They are all acting under the same influences and causes.

II

It was while these Associations formed throughout the country were busy extending their organization in a perfectly orderly and peaceful manner—they were looking forward with confidence to the assertion of the principles of right and justice—that the Greeks occupied Smyrna and the environing country under the patronage of the Entente Powers and committed on this occasion untold atrocities. The Greek troops and the local Greeks who had joined them in arms started a general massacre of the Musulman population in which the officials and Ottoman officers and soldiers as well as the peaceful inhabitants were indiscriminately put to death and subjected to forms of torture and savagery, worthy of the Inquisition and constituting in any case a barbarous violation of the laws of humanity.

Naturally the outcry was great among the Musulman population. It appealed for help. The voice thus raised by the innocent and tormented Musulmans of Smyrna reverberated throughout the land. The whole nation rose as one man to oppose the barbarously hostile action of the Greeks. Meetings were organized in the towns and even in the villages and telegrams dispatched by the hundred to the Entente Powers and the whole civilized world, tearfully appealing for protection and help. These solicitations of a whole people for a reversion to the laws of humanity and justice remained unheard. On the contrary the Greeks extended the zone of their operations to the continued accompaniment of their first atrocities. In Constantinople the oppressive measures of the English acting in conjunction with the Central Government took a severer form. The Italian forces in Adalia were increased. In Cilicia the Musulman population continued to be subjected to insult and outrage and reenforced measures were adopted for the suppression of Turkish authority. The Greek bands whose activity was directed from Constantinople and Smyrna indulged in increased outrages at the expense of the Musulman element.

At this juncture the Ferid Pasha Cabinet which in no wise represents the feelings and wishes of the Nation was invited to send a delegation to Paris. The treatment with which our delegates met at the Congress was only another instance added to so many others of the offensive attitude so easily adopted towards Turkey.

III

The Nation, realizing that salvation resided in the formation of a general and joint organization acting in perfect unity. The population of Trebizonde and Erzeroum took steps in June 1919, in view of the convocation of a Congress in the latter town which was to bring about the unification of the Eastern Vilayets. At the same time a resolution was adopted at Amassia for the meeting of a Congress at Sivas for the unification of the whole of Anatolia and Roumelia.

On the 23rd of July 1919, the first of the intended Congresses met at Erzeroum. It was composed of the elected representatives of all the Vilayets, sub-prefectures, and cazas of eastern Anatolia. It remained in session fifteen days. (The proclamation embodying its essential resolutions, system of organization, aims and points of view is in principle the same as that of the Congress that followed at Sivas and is annexed in the Turkish original to this memorandum.[29])

On the fourth of September 1919, the second Congress met at Sivas. It was composed of the elected representatives of Western Anatolia

[29] Not printed.

and Roumelia and, acting in the name of Eastern Anatolia, a body of fully empowered delegates elected by the Congress of Erzeroum. The latter Congress having already established the principal basis of action of the national movement, the Sivas Congress completed its deliberations and adopted its resolutions in the course of a week. (These resolutions as mentioned above are annexed to the present memorandum.[30])

At this general Congress it was once more established that all those parts of the Empire which were under Turkish authority at the time of the conclusion of the armistice between the Sublime Porte and the Entente Powers formed one joint block of territory and that our compatriots of the same faith formed a united body pursuing one aim in perfect unison. This Congress took the name of "League for the defence of the rights of Anatolia and Roumelia". In this fashion the whole Nation and the Ottoman Army which is recruited from among the sons of the Nation and whose primary duty is the defence of the Fatherland form the sources of our strength.

A "Committee of Representatives" was elected with powers to pursue the common end and to administer the affairs of the organization.

IV

As shown in the annexed regulations,[31] the foremost object of our League is, on the one hand, to constitute the national forces into a factor for the maintenance of the territorial integrity of the Ottoman Fatherland within the borders already mentioned and for the defense of the national independence and the rights of the Caliphate and Throne and, on the other hand, to establish the supremacy of the national will.

Concerning our non-Moslem compatriots with whom we have lived together for such a long time (Armenians, Greeks, Jews, Etc.) we have no other point of view or feeling than to be sincerely animated with the best intentions towards them and to consider them entitled to perfect equality with ourselves. We are absolutely certain that if the country is freed from the evil influences and suggestions which have been at work in its midst so far, the different races of the Empire will live in peace with one another and lead, in common, a happy and prosperous life.

The high and pure aims which are ours exclude all aggressive intentions against the Entente Powers. It will be natural and inevitable for us, however, to defend ourselves and retaliate in answer to attacks in a material form upon our existence in violation of the laws of justice and humanity.

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[30] Exhibit E, p. 886.
[31] Not printed.

V

It is to be deplored that whereas the nature of our aims was to be gathered from our explanations as well as from our acts, a number of evil-minded and malevolent individuals, starting a campaign of misrepresentation and false rumours, sought to attribute to our intentions forms which never crossed our minds and had no connection whatever with truth. In this respect, those who went furthest are the English and the Ferid Pasha Cabinet which, as already stated, is but a tool in their hands.

Ferid Pasha and his colleagues are convinced that they could not enjoy any authority whatsoever if the administration was run on constitutional and liberal lines and rested on the national forces. That is why, the nation, having given proof of its maturity and shown its general capability as well as its consciousness of its civil and natural rights, the only concern of this Cabinet is to crush the national organization and its action. In this campaign one of its weapons is the fear of the unionists, those unionists who gained such unenviable notoriety the world over by their misrule lasting several years to the great detriment of the nation and by their last crime which was to plunge the country into an abyss from which it is experiencing such difficulty in extricating itself. Speculating on this fear the present Cabinet is fatuously seeking to discredit our action which is free from every kind of self-seeking ambition and is pursuing thoroughly national aims by representing these as being connected with unionism. Another weapon to which the Cabinet clings is the fear of bolshevism. In the official communications they are striving to get through to the provincial governors, they are not ashamed to assert that the Bolshevists have entered Anatolia and that all our activities are inspired by them.

As a matter of fact we realize and estimate the painful consequences to which unionism has led the Nation much better than Ferid Pasha and his likes. Our object, so far from being to deal the last blow to the existence of our fatherland and Nation by launching upon adventures, is to proceed with the greatest discrimination and forethought and to find the means for ensuring their survival and welfare. Consequently there can be no relationship between us and the unionists.

As to the bolshevists: there is no room whatever in our country for this doctrine, our religion and customs as well as our social organization being entirely unfavorable to its implantation. In Turkey there are neither great capitalists nor millions of artisans and workingmen. On the other hand, we are not saddled with an agrarian question. Finally, from the social point of view our religious prin-

ciples are such as to dispense us with the adoption of bolshevism. The best proof that the Turkish Nation has no leanings in favour of this doctrine and that, if necessary, it is ready to combat it, is to be found in the attempt of Ferid Pasha to deceive the nation by way of alarming it into the belief that bolshevism has invaded the land or is on the point of doing so. The Ferid Pasha Cabinet is truly a coat cut to measure of the expansionist ambitions of the English. The latter, founding their plans on their experiences in India, Egypt and the other countries they have succeeded in bringing under their arbitrary rule, realize full well that after reducing the Turkish nation to the condition of a flock deprived of all sense of human dignity and all National and patriotic virtues as well as of the right of liberty and education, they will be able to degrade it into a troop of slaves bowing to their will. This is the end toward which they are working, having recourse to numberless intrigues in our midst in view of its attainment. To quote a few instance of their tactics:

(*a*) Falsely accusing quite a number of Ottoman citizens of unionism, opposition to England and what not, they proceeded to arrest and exile them, thus tampering with the country's judicial rights. Besides this, they are busy discovering or creating reasons for the arrest of the nationalists and patriots remaining in the country and employ the government as an instrument for persecuting them.

(*b*) With the idea of bringing about the partition of the Empire and creating a fratricidal struggle between Turks and Kurds, they incited the latter to join in a plan for the establishment of an independent Kurdistan under English protection, the argument put forward by them being that the Empire was, in any case, condemned to dissolution. For the carrying out of this enterprise they spent large sums of money, had recourse to every form of espionage and even sent emissaries on the spot. Thus an English officer of the name of Naivill exerted himself in this sense for a long time at Diarbekir having recourse to every kind of fraud and deception in his operations. But our Kurd compatriots guessing what was on foot drove him out of the place as well as a handful of traitors who had sold their consciences for money. Disappointed in his action at Diarbekir, Mr. Naivill betook himself to Malatia with several adventurers belonging to the Bedrihan clan and whom he had won over with money but who enjoy no credit with their kinsmen such as Kiamouran, Djaladeh and Diarbekirli, Djemil Pasha Lade Ekrem. There he renewed his attempt in view of the establishment of an independent Kurdistan in collaboration with the *mutesarif* (subgovernor) Khashil Bey, also a member of the Bedrihan clan.

On the other hand, combining with the Vali of Kharpout, Ghalil Bey—an instrument of the self-seeking Minister of the Interior Abil

Bey and the likewise self-seeking Minister of War Suleyman Chefik Pasha—who was committed to take measures against the national movement and more especially against the Sivas Congress, he and the crowd of his associates started the cry, "The Armenian Soldiers are going to occupy the country—to arms", intending in this manner to provoke a rising of our simple-minded Kurdish compatriots. The object of this wicked plan was threefold: to resuscitate Kurdish particularism, to destroy the national forces and to create a conflict and the shedding of blood between children of the same country. The conspirators did not even shrink from trying to implicate in the projected tragedy a detachment of troops Ghalil Bey had asked for under pretense of pursuing personally a band of brigands which was said to have ransacked the mail. (Several documents concerning this affair are annexed to the present memorandum.[32])

These individuals met with the confusion which was to be expected of their under-estimation of the national forces. The local population which remained innocent of all participation in these intrigues very soon understood their criminal meaning and was proceeding to take the culprits into custody, when they fled.

(*c*) While perfect tranquility was reigning in Eski Shehir, English troops entered the house of the local commandant, Colonel Atif Bey, and putting forward the most unlikely calumnies against him, carried him off under the eyes of his soldiers and sent him under escort to Constantinople. In explanation of the emotion and effervescence very naturally caused among the local population by the outrage the English spread reports to the effect that the bolshevists and unionists were invading the district and on this pretense adopted special military measures in the locality.

(*d*) Ferid Pasha publishes, by means of the telegraphic agencies, the report that disturbances are taking place in Anatolia and his accomplices, the English, making out that the Armenians are being made the victims of outrages in Sivas, addresses a minatory note to the Sublime Porte. At the same time an outcry is raised on the invented ground that a massacre of the Christians is being planned at Marzivan. As a matter of fact not only has it been ascertained materially that no such things have happened, but that there is absolutely no likelihood of their occurring. On the contrary, the encounters which were taking place in the region of Samsoun before the organization of the National Movement between the Greek bands formed with a political object and the Musulman population against which the former were practising their ferocity and who, in the absence of all protection on the part of the army and gendarmerie, was forced to act in self-defence, have stopped as a result of

[32] Not printed.

the advice given to both sides by the national organization and without recourse having been had to measures of force. Today perfect tranquility reigns in this region as in the other parts of the country.

VI

We entertain no unfriendly dispositions toward the Armenian Republic of which Erivan is the center. For the present the League has no relations with this State and is not interested in it. Our knowledge concerning it is derived from rumours and indirect information. We know, however, so much to be a fact that the Armenians in the new State are carrying on operations in view of exterminating the Musulman element in obedience to orders from the Armenian corps commander. We have had copies of their orders under our eyes. That the Armenians of Erivan are following a policy of extermination against the Musulmans and this wave of sanguinary savagery has spread right up to our frontier is also established by the fact of the presence within our borders of numerous Musulmans fleeing from death on the other side. The government of Erivan has, on the other hand, resorted to direct acts of provocation such as the practise of gun fire this side of the border.

Although [*all through?*] the course of these events the English encouraged on the one hand the Armenians in the attitude adopted by them against the Musulmans or even stirred them up to it and, on the other hand, enumerating to us the outrages of the former and describing them as unbearable, they urged us to retaliate by attacking the neighboring State. But we, putting up with the Armenian provocations turned a deaf ear to the indignations of the English, feeling sure that the truth would make itself known soon enough. As a matter of fact we thought we could detect in the attitude of the English trying to launch us upon an attack against Armenia, the plan of creating a situation of which they would avail themselves to despatch their own troops into that country. All these maneuvers of the English were started by their officers and representatives after they saw themselves obliged to evacuate Caucasia.

We hear that conflicts are taking place between the Azerbaijanese and the Erivan Armenians. We presume that the reason for this is the refusal of the Armenians to join the alliance concluded between the Azerbaijanese and the Georgians against England's protégé, Denikin, who is trying to push southward.

It is quite natural that the Musulmans of Erzeroum and Van, and more particularly those among them living in the border regions should have reached a high state of excitement as a result of the news reaching them daily of the massacres in Armenia and the sight of the

unfortunate refugees having escaped death and whose condition is lamentable. What adds to their effervescence is the gun fire practise of the Armenians within our border. But our organization has succeeded in appeasing them and all likelihood of violent reaction on their part has been averted.

VII

Refraining from going to the assistance of the unfortunate Musulman population in Armenia and from collaborating with the Musulmans of Azerbaijan, we consider it indispensable to confine our action and aims to the task of ensuring the future existence and welfare of the Fatherland and Nation, within the borders already defined. We are, in effect, convinced that Fouranism [*Turanianism*] is a mischievous conception. We consider that, by dispersing our material and moral forces in the pursuit of chimeras a long distance from our frontiers, we will only weaken the strength we require for defending the seat of the Throne and Caliphate which is the heart of our Fatherland and the knot of our existence.

Quite recent events, unfolding themselves under our very eyes, have taught us to remain faithful to moderate conceptions. For instance; during the general war which has not yet ended in peace, the man at the head of our government employed the Ottoman forces to attain such ends as the conquest of Caucasia, the strengthening of the Azerbaijan government and the recovery of Egypt. As a result of this policy the very source of life in our real Fatherland, the population has diminished considerably. Many fertile and otherwise valuable lands have been wrested from us and even within the frontiers we have assigned to ourselves as our last future, our Capital, as well as such peerless sections of our country as Smyrna, Adalia and Adana are under foreign military occupation. Whereas, if we had not entered the war, or at least, if having entered it, we had wisely employed our forces with a view to defending our territory within its existing borders, instead of wasting them in ambitious enterprizes, our situation, though perhaps still that of a vanquished people, would be different from what it is.

In any case the spreading of the preposterous report that Fouranism [*Turanianism*] forms part of our aims and action is but another instance of the calumnies in which the English indulge at our expense.

VIII

With a view to distorting the true, that is the purely national character of our movement, the English have also thrown into circulation reports to the effect that we have obtained money now from the Germans or bolshevists, now from the foreign Musulmans or

unionists, now again from Enver Pasha and we do not know who else. These reports suiting the Ferid Pasha Cabinet, it is giving them prominence after sorting and strengthening them. In reality our League has no connection whatsoever with the sources just mentioned and cannot have since, as explained from the very beginning our object is purely national and patriotic and follows an open course. To accept money from any source whatsoever, it is necessary for us who pursue a conservative and legitimate object, to sacrifice the money thus received to the intentions and wishes of the donors.

Generally speaking, our League does not require as large sums of money as is imagined. Ours is not an illegitimate object, acceptance of which by a foreign Power we are trying to obtain by means of money. Nor are we in a position obliging us to buy the conscience of some other nation. Nor, again, are we in the necessity of suggesting an unknown object to our nation, spending money for the purpose. Our League is the result of a pure and patriotic movement born of the national consciousness and consists in the adoption by this movement of a national form and organization. Our treasury is the conscience of the nation which has learnt to appreciate the value of independence and patriotism. The sources of our revenues are the spontaneous donations of the Nation.

IX

After the Armistice the European Powers fell into the mistake of imagining that in Turkey there was not a nation conscious of its rights and ready to defend them. Whatever a lifeless country and a bloodless nation is worthy of, that is what it was sought to apply to us. The idea was entertained at the Versailles Conference of partitioning our Fatherland and distributing its fragments as presents right and left. It is a subject for thankfulness that these preposterous decisions, which were calculated to plunge humanity in new tragedies, have been deferred. It is also a subject for thankfulness that the decisive resolutions concerning our fate have been made dependent on the deliberations and decisions of the American Congress. It was the faith placed in the Nationalistic and natural principles put forward by the American Nation that brought about the end of the general war which has soaked the soil of the globe with human blood and strewn it with human corpses, thus causing the shedding of endless tears.

We entertain an unshaken confidence that thanks to the humane decisions of the Americans, the ground will be found for the establishment of an enduring and perfect peace. We have no doubt that

the American Nation and the American Congress, representing the cause of civilization, right and justice in its midst, have been sufficiently enlightened in regard to our pure hearted Turkish people and its degree of attachment to and connection with civilization and will adopt the most efficient, equitable and practical resolutions concerning its fate, leaving us, thus, overflowing with gratitude.

X

The Turkish people possesses a more than ten century old right of existence in these lands. This is established by the survival of numerous relics of the past. As for the Ottoman State, it dates from seven centuries and can boast a glorious past and history. We are a people whose power and majesty were recognized by the world in three such continents as Asia, Europe and Africa. Our men of war and merchantmen sailed the oceans and carried our flag as far as India. Our capabilities are proven by the power we once wielded and which had become world-wide. But during the last century, the intrigues of the European Powers in our Capital and as a result of these intrigues their interferences with our independence, the restrictions with which they trammelled our economic life, the seeds of discord they sowed between us and the non-Moslem elements with which we had been living on fraternal terms for centuries, and added to these circumstances the weakness and resulting misrule of our governments have acted as obstacles to our advance in the paths of modern progress and prosperity. The painful condition which is ours today does not in the least imply any radical incapacity on our part or incompatibility with modern civilization. It is solely due to the persistence of the adverse causes enumerated above.

We can give the most positive assurances that our country, if freed from the incubus of foreign intrigue and intervention and if its affairs are managed by a capable government respectful of the National will and wishes, it will presently assume a condition which will be a source of satisfaction to the whole world.

We make a special point of adding that the assistance of a powerful and impartial foreign nation will be of great value to us in saving us from the iniquitous oppression of which we are the victims and in hastening our development.

We derive great hope from the Wilsonian Doctrine embodying the nationalistic principle and from the spirit of justice and humanitarianism displayed by the American Nation in its action to ensure its triumph.

MOUSTAPHA KEMAL PACHA

Exhibit D

American Military Mission,
On Board U.S.S. "Martha Washington," October 9, 1919.

My Dear General: I acknowledged receipt at Samsoun of your letter setting forth the aims of the party of which you are the Chief. I thank you for it. In our journey after leaving Sivas we were recipients of many courtesies from your people.

I have been informed by members of my Mission who have travelled through Malatia, Kaiseriya and Marsovan that the Armenian people in those regions are still very apprehensive of danger from the Nationalist movement, and that some are leaving their homes again in consequence of threats from their Turkish neighbors. I found similar uneasiness in other places. I again invite your attention to the keen interest America has in the safety and welfare of these people, as shown by President Wilson's cable to the Turkish Government, and suggest a wider circulation of the information that your organization is in no way inimical to the Christian population of the Ottoman Empire, as I understood from you is the case.

Please accept my thanks for your courtesy to my party, and believe me,

Very truly yours,

Jas. G. Harbord,
Major General, U.S.A.

General Mustapha Kemal,
Representative of the Committee for the Defence of Turkey,
Sivas, Turkey.

Exhibit E

DECLARATION OF THE CONGRESS OF SIVAS

In view of the exterior and interior perils which threaten our country, the national conscience has become awakened and gave birth to our congress which has reached the following decision:

I. All of the Turkish territory within the frontier outlined 30 October 1334 (1918), between the Ottoman Government and the Allies, and inhabited by a preponderate majority of Turk population, will form an undivided and inseparable whole. All the Mussulman elements living in said territories are filled with mutual sentiments of respect and devotion for the social conditions of the country and form a veritable fraternity.

II. In order to assure the integrity of our country and our national independence, as well as to assure the conservation of the Sultanat and supreme Califat, it is indispensable to place in action the national forces and the absolute will of the people.

III. Against all intermeddling or occupation of no matter what part of the Ottoman territory, and in particular against every movement tending toward the formation, at the expense of the mother country, of an independent Armenia and of an independent Greece on the Aidin, Magnesie and Balikessir fronts, we are absolutely resolved to resist and to defend our rights.

IV. It is inadmissible that privileges be accorded all non-Mussulman elements who, for ages, have lived from the breast of the same country and who enjoy of the same rights of equality; such privileges would tend to trouble our political government and break the social equilibrium.

V. All methods and all means are taken with a view to safeguard the Sultanat, the supreme Califat and the integrity of the country in the case where the Turkish Government, under foreign pressure, should be called upon to abandon no matter what part of our territory.

VI. We await a decision which will conform with right and with such justice as will annul the initiatives that are contrary to our historic, ethnic and religious rights; a decision relative to the annulling of the project of the separation of our territory situated within the line of demarcation traced by the Armistice Treaty, 30 October 1334, and inhabited by a preponderate majority of Mussulman population having an intellectual preponderance and economic superiority and forming an absolutely indivisible brotherhood which is inseparable of race and religion.

VII. Our people honor and respect humanitarian and contemporary purposes and take in consideration our scientific, industrial and economic needs; in consequence whereof, on condition that the interior and exterior independence of our people and of our state, and on condition that the territorial integrity of our country shall be conserved intact, we will accept with pleasure the scientific, industrial, and economic assistance of every state which will not set forth imperialistic tendencies with respect to our country and which will respect the principles of nationality within the limits indicated under Article VI. We await in the name of the preservation of humanity and universal peace the urgent signature of a peace based on the aforenamed equitable and humanitarian conditions which we consider to be our great national objective.

VIII. In the course of historic events which fix the destinies of nations, it is indispensable that our Central Government shall submit itself to the national will, for the arbitrary decision, emanating from

a government which treats lightly of the supreme will of the people not only causes that government not to be respected but, again, it could not be taken into consideration; the history of our past is proof. In consequence, it is absolutely urgent that before taking the means to remedy the anguish which exists within the very breast of the nation, our Central Government shall proceed without delaying further to convoke the Nationalist Assembly and submit all the decisions to take with a view to safeguarding the interests of the nation.

IX. The sufferings and the calamities of the nations have given birth to a federal assembly called "The Assembly to Defend the Rights and the Interests of the Provinces of Anatolia and of Roumelia." That assembly abstracts all the tendencies of the political parties so that all our Mussulman compatriots as such, can be considered as legitimate members of that assembly.

X. The congress of that assembly named "The Assembly to Defend the Rights and the Interests of the Provinces of Anatolia and of Roumelia," which met at Sivas 4 September 1335 (1919), has chosen a representative corps charged to push on the proposed sacred cause and to direct such similar organizations as well in the smaller communities as in the larger centers of the vilayets.

THE CONGRESS

EXHIBIT F

TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES OF AMERICA:

The National Congress of Sivas, representing the entire Mohammedan population of European Turkey and Asia Minor, and composed of delegates representing every province and state in said portions of the Ottoman Empire, assembled on September 4, 1919 for the purpose of securing the fulfillment of the wishes of the majority of the population of the empire with the protection of all minorities, and, with life, liberty, justice and inviolability of property rights guaranteed for all.

The National Congress of Sivas by unanimous vote on September 9, 1919 passed a resolution outlining the desires of the majority of the population of the Ottoman Empire and embodying the principles which will guide the future action of the Congress at Sivas, the central committee which it will elect from among its members before dispersal, and all of the subsidiary organizations within the frontiers of the Empire.

In accordance with the said resolution of policy, the National Congress of Sivas, this day, by unanimous vote, requests the Senate of the United States of America to send a committee of its members to visit all confines of the Ottoman Empire for the purpose of investigating with the clear vision of a disinterested nation conditions

as they actually are in the Ottoman Empire before permitting the arbitrary disposal of the peoples and territories of the Ottoman Empire by a treaty of peace.

In the name of the National Congress of Sivas:

PRESIDENT MOUSTAPHA KEMAL PASHA
VICE PRESIDENT HUSSIEN RAOUF
2ND VICE PRESIDENT TAMAILFAZIL PASHA
(*Général en Retraite*)
SECRETARY EMIR ISMAIL HAMEY
SECRETARY M. CHUKRI

SIVAS, TURKEY, *September 9, 1919.*

860j.01/158 : Telegram

The High Commissioner at Constantinople (Bristol) to the Secretary of State [33]

CONSTANTINOPLE, *December 4, 1919, noon.*
[*Received December 6, 1.41 a.m.*]

101. There have been no massacres in Caucasus since last June when about 600 Armenians were [massacred] near Shusha, and July when estimated 5,000 Armenians massacred Nakhichevan. Usually Armenians gave provocation. Shusha massacre was reprisal for attack by Armenians upon Tartar shepherds near Gerusi. Nakhichevan massacre was reprisal for expulsion of Tartars from district 40 miles back from railway. Zangazour district also very much aggravated by British policy first placing this district, February 1919, under Azerbaijan and later, just about the time British began evacuation, her policy was changed and local Armenian council was permitted by govern Zangazour and final evacuation left this question unsettled. It looks now as if attack on Armenia and [*by?*] Azerbaijan had for object forcing Armenia into agreement with Georgia and Azerbaijan against Denikin especially as this has been desired for a long time. This seems most probable from Colonel Rhea having requested Peace Conference to define boundary Denikin activities so as to protect Caucasus. This may be secret presented [*sought to be effected?*] through state agreement in Caucasus. Greeks have mission in Caucasus which is having personnel increased. After personal conference here with Haskell we have arranged close liaison for keeping each other fully informed thereby assisting each other as much as possible.

BRISTOL

[33] Forwarded by the Embassy in France as No. 1687.

URUGUAY

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, pages 45 ff.)

890

VENEZUELA

BOUNDARY DISPUTE WITH COLOMBIA

(See volume I, pages 80 ff.)

CONVENTION WITH THE UNITED STATES FOR FACILITATING THE WORK OF TRAVELING SALESMEN

(See volume I, page 45, footnote 47.)

YUGOSLAVIA [1]

RECOGNITION BY THE UNITED STATES OF THE KINGDOM OF THE SERBS, CROATS AND SLOVENES, FEBRUARY 7, 1919

860h.01/23

The Serbian Chargé (Simitch) to the Secretary of State

No. 176 WASHINGTON, *November 11, 1918.*

YOUR EXCELLENCY: I have the honor to inform Your Excellency that the Serbian Government has recognized the National Council in Zagreb as the legitimate representative of the Serbians, Croatians and Slovenes who are residing within the boundaries of the former Austro–Hungarian Monarchy until the definite organization of one state which will comprise all Serbians, Croatians and Slovenes, when the Serbian Government and the National Council will create one common government who will protect the rights of the nation of all Serbians, Croatians and Slovenes.

Until the organization of this Government Mr. Troumbitch, President of the Jugoslav Committee in London, has been entrusted with the mandate to represent the National Council in Zagreb with the Allied Governments.

In bringing the above to the knowledge of Your Excellency I beg to present that the Serbian Government anticipates that the United States Government will recognize the National Council in Zagreb, the members of whom have been elected by the parliament, as the legitimate government of the Jugoslavs (Serbians, Croatians and Slovenes,) living within the boundaries of the former Austro–Hungarian Monarchy, and consider that government and its army as an ally.

With renewed assurance [etc.] Y. SIMITCH

860h.01/21

The Serbian Chargé (Simitch) to the Acting Secretary of State

[Translation]

WASHINGTON, *undated.*
[*Received January 6, 1919.*]

MR. SECRETARY: I am instructed by my Government to submit herewith the following communication:

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[1] This designation, rendered official by decree of Oct. 3, 1929, is employed in headings, as also the adjective "Yugoslav," in preference to the unwieldy official title of the time, "Kingdom of the Serbs, Croats and Slovenes."

In accordance with the decision of the Central Committee of the National Council of Zagreb which represents the State of all the Serbian Croatian and Slovene provinces within the boundaries of the former Austro–Hungarian Monarchy, a special Delegation has arrived at Belgrade on the 1st of December. This Delegation by one [*a*] solemn address, presented to His Highness the Crown Prince, has proclaimed the Union of all the Serbian Croatian and Slovene provinces of the former Dualist Monarchy into one single State with the Kingdom of Serbia under the Dynasty of His Majesty King Peter and under the regency of the Crown Prince Alexander. In the reply to this address His Royal Highness the Crown Prince has proclaimed the Union of Serbia with the above mentioned independent State of Slovenes, Croats and Serbs into one single Kingdom: "Kingdom of the Serbs, Croats and Slovenes." His Highness has accepted the regency and will form a common Government. On the 17th of December His Royal Highness the Crown Prince received in audience a delegation from Montenegro. This Delegation has submitted to His Highness on the 26th of November the decisions of the Great National Assembly of the Kingdom of Montenegro. By virtue of these decisions His Majesty King Nikolas I, and His dynasty have been declared destitute of all the rights upon [*to*] the throne of Montenegro and the Kingdom of Montenegro, united to Serbia under the dynasty of Karageorgevitch, is included in the Kingdom of the Serbs, Croats and Slovenes. His Royal Highness the Crown Prince has declared that He accepts with pleasure and thanks these decisions. A common Government for the new Kingdom has been organized on the 21st of December. The Legations, Consulates and other Missions of the Kingdom of Serbia will be the Legations, Consulates and other Missions of the Kingdom of the Serbs, Croats and Slovenes.

Bringing the above to the knowledge of the United States Government, the Serbian Government is strongly convinced that their communication will be met sympathetically:—The Union of all the nations of the Serbs, Croats and Slovenes in one single state, which results from the imprescriptible right of the people to dispose of their destiny.

I take [etc.] Y. SIMITCH

860h.01/29

The Chargé in Yugoslavia (Dodge) to the Acting Secretary of State

No. 147 BELGRADE, *January 10, 1919.*
[*Received February 11.*]

SIR: I have the honor to enclose to you herewith a clipping from the *Pravda* of the 26th. December/8th. January giving the text of a

proclamation addressed on Christmas Day, old style, by the Prince Regent to the Serb, Croat and Slovene people. I also enclose a translation which I have made from a French translation of this proclamation.

The proclamation will be found to be of considerable interest as it outlines the future plans of the Government. These in general outline have already been reported, especially in my Despatch No. 137. of December 24th.[2] After referring to the final union of the Serbs, Croats and Slovenes in a single Kingdom by the unanimous wish of the people, & mentioning the representative character of the present Cabinet composed of men of all the political parties, regions and creeds of the new State, the proclamation describes the composition of the provisional body which under the name of "National Council" is to act as a national parliament until a parliament is elected under the Constitution to be framed by the Constitutional Convention. It will be noted that this Council is to include delegates of the various National Councils which exist in each of the Yugoslav provinces of the former Austro–Hungarian Empire and delegates from the Banat and Batschka (the Voivodina). It will also include, from Serbia proper, in addition to delegates of the Skupschtina, delegates from the territories of Old Serbia and Macedonia which were acquired during the Balkan wars. It will be remembered that these territories, while annexed to Serbia, were placed under a special régime and were not allowed to be represented in the Skupschtina. This régime is in fact generally acknowledged to have been harsh and meddlesome.

The proclamation then declares that the corner-stone of the new State and its liberties will be constitutional and parliamentary Government and that the Constitutional Convention will be elected upon a basis of universal suffrage. The Cabinet will submit to the Constitutional Convention a draft for a democratic Constitution on the basis of a unified State with extensive local autonomies and the strictest guaranties for political and personal rights. The future Government is not to be a federal one but a strongly unified State with local autonomies. As formerly reported, there appears to have been from the beginning little popular sentiment in favor of a federal form of Government although it is generally stated that local autonomy in the new State will be more extensive than it has been in Serbia. The chief reason given for desiring a centralized State is in order that it may be stronger in a military sense as it will have enemies in Germany and Hungary.

All the liberties and rights now given to the population of Serbia by its Constitution are to be extended over all the new Kingdom.

[2] Not printed.

This will be a distinct democratic gain in the former Austro-Hungarian provinces where much of the present legislation is aristocratic and even feudal in character. This is especially true in Croatia and especially as regards the land laws which favor large estates. Many of these are of vast extent (as those of the Odescalchi family) and the peasants living in them are little better than serfs. The recent unrest in Croatia is largely economic in character and owing to the desire of the peasants to acquire the land which they till. In Serbia the reverse is the case and in fact the whole country is one of peasant proprietors.

The proclamation also refers to the duty of the Government to relieve the present distress, to care for the victims of the war and to reconstruct the country. It calls upon the people to forget their differences and to trust and support the Government in order that the Government may inspire confidence abroad and be able to obtain its true ethnographic frontiers. In describing the extent of these frontiers "unquestioned sovereignty" is mentioned "from one end to the other of our sea." This phrase may be considered somewhat unfortunate but from what I have been told by persons in authority, it should in no way be taken as signifying more than a desire for the ordinary rights of a nation having a sea-coast.

I have been assured lately by several prominent political men, including the Acting Minister for Foreign Affairs, Dr. Gavrilovitch, that the Cabinet is strongly opposed to including in the Kingdom any territories not peopled by Serbs, Croats and Slovenes, especially owing to the danger which this would cause to the Kingdom. Where this appears to be a necessity, as in the case of the Italian populations of Fiume and Zara, the fullest educational and language liberties would be given.

Certain of the measures mentioned in the Prince Regent's proclamation have already been executed. The National Council has already been chosen and is expected to meet about March 1st. The Skupschtina which has held a short session, has elected the Serbian delegates and adjourned, presumably to meet no more. A special Ministry has been appointed for preparing for the coming Constitutional Convention, as has already been reported, and is stated to be already engaged in drafting an electoral law for this Convention and considering plans for a Constitution. A decree has already been published extending to all the Kingdom the rights and liberties enjoyed in Serbia. Regarding the relief of the indigent population and reconstruction however, little has yet been done. Lack of funds is partly responsible for this, lack of efficient administrative personnel and a certain weariness and demoralization after six years of exhausting warfare. The Croatians show more ability in such

measures than the Serbs, owing to their having suffered less and possessing more administrative ability. It is however a herculean task and it is especially unfortunate that it must be accomplished at a time when so many matters of absorbing political importance are forcing their solution. Without substantial foreign assistance, proper relief and reconstruction will be beyond the Government's powers.

While adding that I have sent a copy of this Despatch to the Secretary of State in Paris, I have [etc.]

H. Percival Dodge

[Enclosure—Translation]

Christmas Day Proclamation of Prince Regent Alexander of Yugoslavia

To My People:

To the Serbs, Croats and Slovenes!

We have finally reached the day so long desired of our delivery and our free union in a National Independant State in which our race will live its full life and will enjoy without hindrance the gifts which the charitable hand of God has so richly bestowed upon our beautiful country.

Finally is fulfilled the vow which through centuries and continuously all the generations of our race have confirmed and sanctified by their blood.

The unanimous decision of the people, expressed by the unanimous vote of its best representatives, has united into a single Kingdom all the portions of our country until now scattered, a Kingdom over which the national will has called to rule the King of all the Serbs, Croats and Slovenes, my August Father, His Majesty King Peter I.

Exercising the Royal Power in His name, I have formed, in agreement with the leaders and representatives of all the National parties, Serb, Croat and Slovene, Our first State Government. As a visible sign of our fraternity and complete fraternal solidarity there are working in full concord in this Government the notables of the Nation of all three religions and of all the three names, the representatives of all the parties and of all the portions of Our Kingdom.

My Government will work in full accord with the Representatives of the Nation and will be responsible to them. For this purpose its duty will be to call together as soon as possible at Belgrade the National Representatives who include delegates of the Serbian Skupschtina, of Old Serbia, of Macedonia, of a proportional number of members of the National Councils and of representatives of the Voivodina and of Montenegro. This National Representation will form a provisional but complete representation of the Legislative Branch in Our Kingdom.

As King of a free and democratic people, I will hold without fail to the principles of constitutional and parliamentary Government which will be the corner-stone of our State created by the free wish of the Nation.

In this spirit and in conformity with these principles my Government will govern the country and decide all questions of foreign and domestic policy. My Government will propose to the National Representatives an electoral law which will insure, on a basis of universal suffrage, free elections for the Constitutional Skupschtina to which the Government will submit a draft for a democratic Constitution of the State, framed on a basis of the unity of the State, with extensive administrative autonomy and with the widest guaranties of political liberty and civic rights.

It will be the duty of My Government to extend immediately to the whole territory of the Kingdom of the Serbs, Croats and Slovenes all the rights and liberties now enjoyed by the Serbs in accordance with the Serbian Constitution. In this manner the complete equality of all citizens before the law will be recognized and confirmed, all class privileges will be abolished and the liberty and equality of religious rights will also be guaranteed.

I desire that the solution of the agrarian question may immediately be proceeded with and that the fiefs and great estates may be abolished. In both of these cases the lands will be divided among the poor farmers with a just indemnity to the present proprietors. May every Serb, Croat and Slovene be the lord of his field. In our free State only free proprietors will be able to exist and will exist. It is for these reasons that I have requested my Government to form at once a commission which will prepare a solution of the agrarian question while I call upon the peasant-proprietors to wait quietly, trusting in my Royal word that our State will give them the land by legal process, the land which in the future will belong only to God and to them as is the case since long ago in Serbia.

The four years' war has caused profound disorder in all matters. In order to cure these matters rapidly and successfully and to bring back the country into its normal condition, my Government will devote its attention principally to revictualling the people, especially the most indigent, to helping and supporting the victims of the war, to reconstructing the pillaged and ravaged regions and to re-establishing the lines of communication by land and sea which is the primary condition of the regular development of national life.

The most urgent and most important duty of my Government to-day is to determine, at the conclusion of the world peace, the frontiers of our State so that [they] will coincide faithfully with the ethnographic frontiers of our entire nation, so that no portion of Our

Kingdom will fall under foreign domination. In order to obtain this success it is indispensable that our young State should gather together and unite all its moral and material strength, it is indispensable that its internal life should remain strong and powerful. Consequently I invite all the good citizens and faithful sons of Our Kingdom to support by words, acts and example My Government in its efforts to preserve the present peace and order in the country. This is not only a present necessity but also a pledge for the future of Our Kingdom.

Our noble Allies and the whole world have seen with just admiration and recognized with all due appreciation the heroic and self-denying efforts of My Army and the perseverance of my people. Let us try by forgetting our mutual rivalries and giving up all our differences of opinion to show to all the example of a people healthy and conscious of its rights, worthy to live and labor in peace with the cultured nations whose brave brothers in arms and loyal Ally it has had the honor and pride to have been.

Encouraged by the examples of deep patriotism and self-sacrifice which our soldiers, our martyrs and public men have shown during the war, I and My Government will always take great care of the families of the warriors who, covered with eternal glory, have fallen in the bloody struggle for the realization of the great historical idea of our nation.

In the name of My August Father and in My Own Name I send My Royal greeting to all my people, to all the Serbs, Croats and Slovenes.

May the New Year be a happy one for us all, the year when, with God's help, our Tricolor will be unfurled to wave proudly through centuries as the glory-covered symbol of Our Kingdom, recognized and honored by the whole world, a shining token of the unquestioned sovereignty of Our State throughout all its territories, over all our mountains, all our rivers and islands and from one end to the other of our sea.

Let us all preserve a faith unshakable in the healthy, strong and brilliant life of Our Kingdom.

May God and the spirits of our glorious ancestors and of our great men preserve us without fail to encourage us and keep us at work, incessant, hard and wholehearted, for the prosperity and happiness of My people.

Done at Our Royal Palace in our Capital, Belgrad, December 24, 1918.

ALEXANDER

860h.01/26 : Telegram

The Commission to Negotiate Peace to the Acting Secretary of State

PARIS, *February 6, 1919, 4 p.m.*
[*Received February 7, 1.32 a.m.*]

622. The Secretary of State will give out on February 7th the following statement in regard to the union of the Jugo Slav peoples, which you may give out to the press immediately:

"On May 29, 1918, the Government of the United States expressed its sympathy for the nationalistic aspirations of the Jugo Slav race and on June 28 declared that all branches of the Slavish race should be completely freed from German and Austrian rule.[3] After having achieved their freedom from foreign oppression the Jugo Slav[s] formerly under Austro–Hungarian rule on various occasions expressed the desire to unite with the Kingdom of Servia. The Servian Government on its part has publicly and officially accepted the union of the Serb, Croat and Slovene peoples. The Government of the United States, therefore, welcomes the union while recognizing that the final settlement of territorial frontiers must be left to the Peace Conference for determination according to desires of the peoples concerned."

All this statement has been transmitted Mr. Trumbitch and telegraphed to Dodge at Belgrade.

AM[ERICAN] MISSION

860h.01/21

The Acting Secretary of State to the Yugoslav Minister (Grouitch)

No. 2 WASHINGTON, *February 10, 1919.*

SIR: I have the honor to acknowledge the receipt of an undated Note from the Serbian Charge d'Affaires [4] stating that in accordance with a decision of the Central Committee of the National Council of Zagreb, representing the State of all the Serbian, Croatian and Slovene provinces within the boundaries of the former Austro–Hungarian Monarchy, the Serbian Crown Prince has proclaimed the union of all the Serbian, Croatian and Slovene provinces of the former Dualist Monarchy with the Kingdom of Serbia in a single state all under the title of "Kingdom of the Serbs, Croats and Slovenes" under the rule of His Majesty King Peter and the regency of the Crown Prince Alexander.

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[3] *Foreign Relations*, 1918, Supplement 1, vol. I, pp. 808 and 816, respectively.
[4] *Ante*, p. 892.

The Department further notes the statement contained in the Note that in accordance with the decision of a body proclaiming itself the Great National Assembly of the Kingdom of Montenegro, His Majesty King Nikolas I, and His dynasty, had been deposed from the throne of that country and had decreed the union of Montenegro with the Kingdom of the Serbs, Croats and Slovenes, and that this decision had been accepted by His Royal Highness the Crown Prince of Serbia.

The Department further notes the statement that the Legation of Serbia in the United States will, hereafter, be known as the Legation of the Kingdom of the Serbs, Croatians and Slovenes.

In reply I have the honor to inform you that the Government of the United States welcomes the union of the Serbian, Croatian and Slovene provinces within the boundaries of the former Austro-Hungarian Monarchy to Serbia and recognizes the Serbian Legation as the Legation of the Kingdom of the Serbs, Croatians and Slovenes.

In taking this action, however, the United States Government recognizes that the final settlement of territorial frontiers must be left to the Peace Conference for determination according to the desires of the peoples concerned.

Accept [etc.] FRANK L. POLK

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